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HISTORICAL VIEW

OF PLANS,

FOR THE

GOVERNMENT OF BRITISH INDIA,

AND REGULATION OF

TRADE TO THE EAST INDIES.

AND

OUTLINES OF A PLAN

OF FOREIGN GOVERNMENT, OF COMMERCIAL OECONOMY,
AND OF DOMESTIC ADMINISTRATION,

FOR THE

ASIATIC INTERESTS

OF

GREAT BRITAIN.

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P R E F A C E.

As the Legiſlature are about to deliberate and decide on the Aſiatic intereſts of the Empire, every information, upon this great national ſubject, will be received with candor and peruſed with impartiality.

However important India affairs have become, the ſtudy of them has been, in a great meaſure, confined to the Directors and Company's ſervants; to the Miniſters to whom His Majeſty has aſſigned the public duty of connecting the political and commercial proceedings of the Company, with the general intereſts and proſperity of the Empire; and to Parliament, to whom both the Directors and the Executive Power are reſponſible.

It has now, however, become neceſſary to lay before the Legiſlature and the Public, the events and circumſtances from which a plan for the future government of the Britiſh territories in India, and

regulation

regulation of the trade to the Eaſt-Indies muſt proceed; and with a view to this object, the following work has been compiled.

In the Introduction, the leading events in the Hiſtory of Hindooſtan and of the Eaſt-India Company are explained, as the ſource from which the ſucceſſive plans upon the ſubject of Indian affairs have proceeded, as well as the ſyſtem upon which the Britiſh intereſts in the Eaſt are at preſent adminiſtered.

In Part I. a digeſt of the plans from the conqueſts of the Company till their affairs came to be placed under the controul of the State, and from that period to the preſent times, is brought under review, that the political and commercial principles, which muſt direct in the future adminiſtration of Indian affairs, might be fully perceived.

In Part II. the outlines of a plan of foreign government, of commercial œconomy, and of domeſtic adminiſtration are ſubmitted to examination. The foreign government is deduced from the Hiſtory of India,

India, and from the mixed tenure of conquefts and of treaties by which Great Britain holds its poffeffions. The judicial, financial, and military powers required to adminifter this government with effect, are explained, in their relation to both of thefe fources of information.

The connection of the Eaft-India trade with the revenues of the provinces, and with the revenues of the nation, is next examined; and fuggeftions for the improvement of the export trade, of the circuitous trade within the Company's limits, and of the import trade are fubmitted to confideration. A fketch of the conftitution of the Courts of Directors and Proprietors, and of the Board of Commiffioners for the Affairs of India, concludes this review.

The authorities upon which the whole of this detail refts, have been obtained either from the records of the Company and from the archives of the State, or from the communications of thofe whofe official and local knowledge qualify them to aid their country upon this important occafion.

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HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

INTRODUCTION.

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AS

As the period has now arrived, when the present plan upon which Britiſh India is governed and the trade to the Eaſt-Indies regulated, muſt either be continued or altered, it becomes neceſſary to lay before the Legiſlature and the Public, every ſpecies of authentic information which ſeems calculated to aſſiſt the nation in deciding upon a ſubject of ſuch general importance.

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Indian affairs an important national ſubject;

PARLIAMENT having given Notice to the Eaſt-India Company (agreeably to the terms of its Charter) that its excluſive rights and privileges expire in March, 1794, a plan, for the future government of our Aſiatic dominions and regulation of our trade to the Eaſt-Indies, muſt be deviſed and carried into effect.

a plan for the direction of them required—

IF formerly our Indian dominions and trade were directed and controuled by regulations only, becauſe we were ſtrangers to the political ſituation of thoſe dominions, the ſame difficulties no longer exiſt; for we have had the advantage of experience, from the application of theſe regulations, and are prepared to judge of the value of each of them, and, of conſequence, to form a ſyſtem ariſing out of the nature of our acquiſitions in Hindooſtan, and of our trade to the countries within the Company's limits. The object of ſuch a

Object of it,

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ſyſtem is ſimple—It muſt be calculated for the preſervation of the Britiſh dominions in India, and for the extenſion and improvement of our domeſtic and foreign trade.

Difficulties ariſing from the diverſity of opinions reſpecting it,

EVERY man of obſervation muſt be ſatisfied, in the firſt place, that the opinions of the Public are far from being in uniſon, as to the ſyſtem which ought to be adopted for the future government of Britiſh India, or for the regulation of our Aſiatic commerce;—that much is due to the enterpriſe and merits of the Eaſt-India Company, to whom Britain originally was indebted for valuable dominions, and an important branch of its trade, and that care muſt be taken to continue with them ſuch privileges only, as are conſiſtent with our general commercial proſperity, and yet to place the adminiſtration of Indian affairs on ſuch a foundation, as not to bias from the center upon which they turn, any of the component parts of our happy Conſtitution.

From the characters of our Indian provinces—

IT ought, in the next place, to be recollected, that the nations comprehended in the Britiſh Indian empire are of various and diſtinct characters, and that the regulations to be propoſed for their future government muſt be reconcileable to the manners, to the kinds of religion, and to the various territorial or commercial reſources of the people for whom they are intended. Our dominions in Hindooſtan, it muſt be remembered, ſpread over a country almoſt equal to Europe in extent, and are inhabited by nations as different from each other, in origin, in feelings and in habits, as all of them are from Europeans.

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As branches of the Britiſh empire.

THERE can be no difference of opinion, with reſpect to the adminiſtration required by the ſpirit of the government, for Britain itſelf, where the executive has been controled by the legiſlative power; and where both have been refined by the mild adminiſtration of our laws. Circumſtances, however, both local and accidental, have rendered the extenſion of our free government and mild laws to our foreign and diſtant dependencies, difficult and in ſome inſtances impracticable. The remote ſituation, and the various deſcriptions of our dominions, in the Eaſt-Indies, have made the full communication of the privileges of Britiſh ſubjects to the natives, an object rather to be deſired by the liberality of the nation, than to be reconciled to the actual adminiſtration of our affairs.

From the circumſtances which have attended the riſe of the Britiſh power in Hindooſtan.

IT ought, in the third place, to be remembered, that the relation of Great Britain to its Aſiatic dominions is of a mixed and novel kind. It began with commerce; it was reared up by arms; it has terminated in the acquiſition of territories, by treaties and by conqueſts. An immenſe army of the natives trained in the modern art of war and commanded by European officers, and a large body of regular Europeans in the King's and Company's ſervice, have been required to maintain thoſe poſſeſſions; while great political wiſdom, reſulting from the experience of the Directors and of Parliament, has been called for in the adminiſtration of our power, and in finding out channels for the circuitous commerce, by which the ſurplus revenues might be made to flow home, for the benefit of the Proprietors and of the Public at large.

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And the distance of our Indian provinces from the seat of government.

THE relation subsisting between Great Britain and its Asiatic dominions is thus a new event, in the history of mankind. As a political phœnomenon it has been the wonder of foreigners, more particularly when they adverted to the circumstances, that the seats both of our Eastern dominions, and of our trade, are distant from us nearly half the circumference of the globe, and that we have discovered the political secret of maintaining our sovereignty, by an administration that is local, discretionary and prompt; and yet of engrafting by it, on Asiatic institutions, degrees of the mild maxims of British government and laws.

Origin of Asiatic commerce.

IN order to explain the source of the British power in Hindoostan, we shall have, in a particular manner, to advert to the events out of which it has arisen.

IN ancient times, the commerce between Europe and Asia was carried on, partly by land, partly by the course of great rivers and a clogged coasting navigation. The Eastern silks, spices and aromatics, and precious stones, were in the highest estimation, among all the nations of antiquity; but the conquests even of Alexander, in India, were limited, while those of the Romans never led their legions beyond the Banks of the Euphrates.

First aspect of it among the Europeans.

AT the time when the modern Europeans began to assume a civilized character, they also imbibed a taste for the luxuries of Asia. The ships of the Italian free states, for

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this end, took up the Indian goods, which by means of caravans and the navigation of rivers, had reached the ſhores of the Mediterranean, and diffuſed them over the Northern kingdoms of Europe.

TOWARDS the cloſe of the ſixteenth century, the minds of the Europeans, in general, began to take an adventurous turn. This bias was ſtrengthened by the diſcoveries which had been made in thoſe natural ſciences, that are ſubſervient to the creation and improvement of the uſeful arts, and it terminated in exciting a general deſire, to make diſcoveries and to encourage trade.

Diſcoveries and conqueſts of the Portugueſe,

IN this new and bold career, Spain and Portugal, unexpectedly took the lead: both courts patronized ſchemes for exploring, not only thoſe parts of the world, which hitherto had been concealed from the Europeans, but for finding out tracts, which ſhould be better ſuited to the purpoſes of trade, than thoſe which had hitherto been purſued.

UNDER this impreſſion, Columbus ſought a new route to the Eaſt-Indies; but, by an accident, was driven to the Continent of America, there to rear a new pillar of the world, on which the crown of Spain was to lean.

VASCO de Gama, ſoon afterwards, on the original plan of Columbus, of finding a paſſage to the countries in the Eaſt, which

INTROD. which had been defcribed by Marco Polo, doubled the Cape of Good Hope; failed along the coaft of Africa, and reached the great peninfula of Afia. Gama, by this difcovery, gave to Portugal a trade, more valuable than that which Columbus had conferred on Spain, though he could not annex to his country, either territories fo extenfive, or a trade fo immediately productive.

The Portuguefe conquefts in the Eaft, in a fhort time, were of the moft fplendid kind. The riches which the fhips of this nation brought to Europe, enabled Emanuel, its Sovereign, in fome degree, to balance the power of his mightier neighbour; while the fame of his conquefts, in the fhort fpace of twenty-four years, confirmed the general propenfity to commercial enterprize, which already had been taking root among the European nations.

Portugal, foon after this period, became a dependency of the crown of Spain. The Eaftern Portuguefe, upon this event, confidered their relation to the mother-country, to be, in a meafure, diffolved. It was during this ftate of their feelings, that Philip, with an impolitic feverity, prohibited his Afiatic, from having any intercourfe with his revolted fubjects in the Netherlands.

—of the Dutch,

The Dutch had already thrown off their dependence on the crown of Spain, and were ftruggling to eftablifh their civil and religious freedom. Thefe new republicans had motives to induftry of every kind; they poffeffed a country which

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which did not afford provifions for a third part of its inhabitants, and they had no other refource, but in their induftry and maritime fkill. Patient in their tempers and perfevering in their purpofes, trained too in a country, where maritime, if not the only, was certainly the principal purfuit; they catched, at once, the fpirit of enterprize, becaufe it promifed them, at the fame time, power and ample gain. For thefe purpofes they fent their armed fhips to the Eaft, eftablifhed factories, became the rivals and fupplanters of the power and influence of the Portuguefe; and, at laft, erected their feveral, but connected Eaft-India Companies.

—of the French.

FRANCE was then governed by Henry IV, who had for his minifter the Duc de Sully. Though occupied, at this juncture, in oppofing the fchemes of the Empire, France, in a fhort time, caught a degree of the prevailing fpirit of adventure, and became one of the rivals, which the Portuguefe, the Dutch and the Englifh had to meet, in the eaftern markets. It does not, however, appear, that France, during the greateft part of the feventeenth century, underftood the principles upon which a foreign and diftant trade could be eftablifhed, or that its mercantile œconomy was as yet ripened for any thing beyond a narrow trade with its European neighbours.

Rife of the London Eaft-India Company.

THE Englifh nation had, during thefe events, neither been infenfible to the value of this commercial object, nor flow in its efforts to extend its trade and navigation. Pof-

INTROD. ſeſſed of more national ardour and yet equally perſevering with the Dutch, emerging too from civil and religious thraldom, it determined to participate with the Portugueſe and Dutch commercial adventurers, in the profits of the trade to the Eaſt-Indies.

It was not to be expected, in this early ſtage of trade, that the ſtock of any one individual could be equal to the expences, or to the riſk of ſuch a ſcheme. A Company, therefore, was formed, which united the ſtocks of individual merchants; and, by a royal grant, was made a body corporate, capable not only of acquiring property, but of holding a territory under the Crown.

As the trade to the Eaſt increaſed, the *London* Eaſt-India Company obtained additional privileges from a ſucceſſion of ſovereigns; who, in return, received conſiderable ſums of money, and an increaſe of revenue.

Effects of the revolution 1688 on this Company's rights.

The period, however, approached, which gave a fixed character to the Britiſh conſtitution, and queſtions now began to be inſtituted in courts of law, reſpecting the nature of excluſive privileges of trade, and reſpecting the titles of the Sovereign to grant them. As the decline of the abſolute power of the Crown was drawing near, and the nation were preparing for a preciſe and defined Bill of Rights, the deciſions on theſe queſtions, in the different courts of law, were gradually taking a more liberal form; till, at laſt, the revolution of 1688 took place, and the diſtinction between a

fimple right of the Crown and a charter from the Sovereign, proceeding on an agreement with parliament, for a valuable confideration, was fully and accurately defined.

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Union of the London and Englifh companies.

An accident, foon after this memorable æra, brought this principle to maturity. Parliament had entered into an agreement with a new trading affociation, to be denominated the *Englifh Eaft-India Company*, and had inconfiderately transferred to it the rights, which could not be taken from the Old or *London Company*, without violating the 13th article of the Bill of Rights, as well as the eftablifhed laws of England. The oppofition of two *India Companies*, of the *fame country*, to each other's progrefs, was too violent to be lafting. It was found, that the profperity of both, was incompatible, and that the continuance of their oppofition to each other could only terminate in their common ruin. An union, therefore, of their interefts, appeared to be the obvious and neceffary means, both for preferving and encreafing the Britifh commerce to the Eaft, and for enabling the nation to meet, with fpirit and effect, the fuperior advantages poffeffed by the Dutch.

Spirit of their Charter, and fketch of their progrefs.

The United Company of Merchants Trading to the Eaft-Indies, was therefore eftablifhed. To it were transferred the privileges which the London Company had got by fucceffive grants from the Crown, and the Rights, which the Englifh Company had acquired from the Sovereign, upon the bafis of the 13th Article of the Bill of Rights. Poffeffed of a ftock, proportioned to the magnitude of their fchemes, and act-

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ing under a Charter of Rights, which rested on the basis of the Constitution, the seats of their commerce multiplied, their exports fostered our rising domestic arts and manufactures, and their imports gave raw materials to both, added to our public revenue, and raised our commercial importance in Europe.

For many years the territorial acquisitions of the East-India Company must be viewed in the back ground of their commerce; but during the last thirty years, their commerce has become a subordinate object to their territorial possessions.

During the war which terminated in 1748, France began to form the bold scheme of becoming one of the sovereign powers in Hindoostan. The nature of this undertaking, and the probable success of it, with reason alarmed the English company, who now saw that the seats of their ancient commerce in the East were in danger of falling into the hands of an European rival; and that those profits, which they had for so many years drawn from their trade, might, in a moment, be swept away from them by the united arms of their Indian and French enemies.

Situation of the United Company at the peace of Aix la Chapelle.—

These alarms were, in appearance, dispelled by the peace of Aix la Chapelle, in 1748, which restored their Indian factories to the French and English nations. It was impossible, however, that either of these powers could be indifferent

different to a prize of ſuch value as a territory in Hindooſtan, which might afford a revenue ſufficient to ſupport the force required to defend it, and a ſurplus ſum for the purchaſe of inveſtments for the European market. Both countries had armies on the Coaſt of Coromandel, and the officers, who conducted each of them, had formed alliances with the native princes and ſtates, with the concealed object of renewing the wars, which were to terminate in rendering one of theſe European nations paramount in India.

The diſtreſſes and embarraſſments, which this ſituation of affairs brought on the French and Engliſh companies, induced the reſpective Directors of each to apply to their Sovereigns, praying them to interpoſe their power, and to fix on ſome ſolid baſis the Rights and Privileges of their ſubjects in India. Terms of accommodation were, in a meaſure, agreed on by the two Courts, when the war, 1756, unexpectedly took a decided and declared form.

If, in this war, the ſucceſs of Great Britain in North America, brought that large Continent within the widened circle of her power; her victories and acquiſitions in Aſia, ſeemed rather to be a chain of miracles, than a ſucceſſion of real events. At the peace 1763.—

Britain now became ſovereign of the rich provinces of Bengal, Bahar, and Oriſſa, of the Northern Circars, and of part of the Carnatic; while ſhe not only retained her ancient poſſeſſions on the Coaſt of Malabar, but laid the found-

INTROD. foundations of a more extenſive commerce in the gulf of Perſia. Her influence, too, over her allies, the Vizier of Oude and the Nabob of Arcot, and over the diſtricts depending on them, if it did not amount to a ſovereignty in name, has, in the event, become one in reality.

At the peace 1783.

TWENTY years had only elapſed from this memorable æra, when Great Britain had to contend with France, with Spain, with Holland, and with her own revolted Colonies. The pride of a great people will lead them to wiſh, that they could drop the curtain (and for ever) over the events of this fatal war; for the ſake of theſe natural and honorable feelings, we ſhall ſuppoſe the memory of it to be obliterated, and rather look to the Eaſt, where Britain was ultimately ſucceſsful.

WHETHER we ought to refer the preſervation of our Aſiatic empire to accidents, or to the talents and wiſdom of the ſervants of the Eaſt-India Company, it is not our province to decide. The fact admits not, happily, of any doubt. If, in the Weſtern world we had provinces to relinquiſh, if at home, we had debts of an alarming magnitude to diſcharge; our dominions and trade in the Eaſt ſtill remained entire, and had even been encreaſed. The nation, therefore, looked to the Eaſt-Indies, as the moſt important foreign dependency it poſſeſſed; by its trade to Aſia it hoped to revive its arts, diffuſe its manufactured productions, reſtore its revenue, and, once more, to give ſplendor to its empire.

INDIA

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Parliamentary enquiries into the ſtate of Indian affairs inſtituted.

INDIA had, previous to and during the war, become the ſubject of public attention, and the conduct of the Company, of Parliamentary diſcuſſion. The Houſe of Commons, ſatisfied that information reſpecting the true ſtate of the Britiſh dominions in the Eaſt was wanting, had appointed ſucceſſive Committees compoſed of members of acknowledged probity and talents, who, with great impartiality and ability have given, from evidence, Reports on the conduct of the ſervants of the Company, in the different wars which had been carried on in Hindooſtan; on the nature, value and extent of the Britiſh dominions in the peninſula of India; on the revenues which they could yield; and on the expenſes requiſite for ſupporting the civil and military eſtabliſhments neceſſary for their preſervation and proſperity.

Reſult of them leading to general plans for the better government of our Indian intereſts.

THE reſult of theſe Reports, however, ſeems upon the whole, to have been the formation of a general opinion, that the intereſts of the Company, and of the nation, had, in many inſtances, been miſunderſtood, and, in ſome caſes, loſt in thoſe of individuals; that the Company, though qualified, from their characters and purſuits, to be merchants, were not competent, (at leaſt on difficult emergencies) to be ſovereigns. A ſyſtem, therefore, was now to be brought forward, the object of which, in the firſt place, ſhould be to remedy the evils ariſing from the mal-adminiſtration of the Company's ſervants abroad, and, in the next place, to render India itſelf a productive branch of the Britiſh empire.

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The eftablifhment of thefe general opinions, both in the minds of the nation and of the legiflature, produced the plans of affording the protection of the laws of England to the natives of India, who are fubjects of our government; of taking meafures for rendering the fervants of the Company abroad more obedient to the orders of the Directors at home; and of fubjecting the Directors to the fuperintendence and controul of the executive branch of government. Thefe fchemes, by degrees affumed a more defined afpect; but what rendered them difficult of execution was, that the public, in general, were as yet ftrangers to the true ftate of our Indian affairs, though difpofed, from their prejudices, to cenfure and condemn the Company's fervants, for the peculation and crimes, which, it was alleged, they had committed; and ready to fecond the meafures by which a reformation of thefe abufes was recommended. Under thefe impreffions, fpecific plans were propofed to parliament in 1783-4, by Mr. Dundas, Mr. Fox, and Mr. Pitt, which, from the circumftances of the times, were laid afide, but will be brought under review, in this work, to enable the Public, by drawing from every fource, to devife a fyftem fuited to the actual ftate of our Afiatic interefts, and founded on experience and practice.

Specific plan of 1784, which paffed into a law.

The nation however were fully fatisfied, that fome plan for new modelling the adminiftration of our Indian interefts, muft be devifed and adopted; one of the firft acts, therefore, which paffed in the late parliament, was, "A bill for the better managment of the Eaft-India Company at home, and in

in their different ſettlements abroad." It proceeded upon the principle of confirming the Chartered Rights of the Company, and of introducing the authority of the State to controul all operations and concerns relative to the civil and military affairs of the Company in India.

THIS bill was profeſſedly one of experiment, not of ſyſtem; for the Legiſlature and the Public were now fully convinced, that they had not acquired information ſufficient to enable them to form a ſyſtem, upon this great national concern. Care, however, was taken in the body of the bill, to check future peculations or crimes in the Company's ſervants; and to give efficacy to the orders of the Directors, by making diſobedience to them cognizable by a court of judicature, and a miſdemeanor. That the power of the Governor-general might be prompt and efficient, his deciſions were rendered ſupreme, over all the Company's ſettlements; our Indian poſſeſſions thus became, though indirectly, more fully under the ſuperintendence of the executive branch of the Conſtitution, while the exiſting rights and privileges of the India Company were left entire.

New arrangements of the Company's buſineſs introduced by the Commiſſioners under this act.

ONE of the firſt circumſtances which attracted the notice of the Commiſſioners appointed under this act was, that the Directors, in the diſcharge of the executive powers which had been entruſted to them, had, from a want of authority, been unable to enforce their own orders, and that in each of the Preſidencies, an irregularity and evaſion

MAHARAJA SERFOJI ... (library stamp)

INTROD. of the inſtructions, which had been ſent out to them, had prevailed. The firſt of theſe evils was remedied (as has already been obſerved) by the act having rendered diſobedience a miſdemeanor; the ſecond of them was done away, by the introduction of a regular plan of buſineſs, into the adminiſtration of the different Preſidencies. This laſt meaſure, His Majeſty's Commiſſioners carried into effect, by dividing the buſineſs among four diſtinct Boards, to wit, the *Board of Council*, the *Military Board*, the *Board of Revenue*, and the *Board of Trade*. The tranſactions of the whole were to be under the management and controul of the Governor-general and Council, or Preſident and Council, who alone were to correſpond with the Directors. The buſineſs of each Preſidency was thus reduced to departments. In the *Public Department* the Governor and Council had already had the cognizance of all the letters, which were not of a political nature, as tranſmitted to them by the ſubordinate Settlements. They had ſuperintended all commercial tranſactions with the Company's factories in China; they had iſſued their orders, in whatever regarded trade and ſhipping; they had received and anſwered all perſonal applications; and had regulated the duties of the ſubordinate offices of every deſcription. In their character of a *Secret Department*, they had confined themſelves to ſubjects of a political nature, whether thoſe which came directly from the ſubordinate Settlements, or thoſe which were tranſmitted to them by the Company's reſidents, in the dependant provinces, or at the courts of the native princes and ſtates. In this capacity, alſo, they had directed all tranſactions with foreign nations, having

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ing factories or eftablifhments in India, and had iffued the orders, for the movement or employment of the troops. The bufinefs, however, was now ftill more accurately fubdivided. To that part of it, which regarded tranfactions with the native powers, was given the name of the *Political Department*; and to that which referred to the tranfactions with European powers, having interefts in India, of the *Foreign Department*; with thefe amendments, the bufinefs of the *Public Department* became fimple and defined, and in a fhort time, checked that evafion or irregularity in the correfpondence with the Directors, which had formerly prevailed; to the *Military Department* was committed every thing which regarded either the conftitution or the tranfactions of the army. Whatever had a reference to imports and exports, was entrufted to the *Commercial Department*. The management of the rents of lands, the collection of the duties; (and, in Bengal, the government of Benares) were affigned to the *Revenue Department*.

Beneficial effects of them.

In confequence of thefe meafures, the adminiftration of our Indian poffeffions and trade has become regular and efficient; the credit of the Company has encreafed; the price of India ftock rifen higher than the moft fanguine of the Proprietors could have expected; the trade of the Company has been almoft doubled; the duties paid by them to the Public been augmented; tranquillity for a courfe of years maintained; and a war, not lefs neceffary than politic, fupported with dignity, and happily terminated with fuccefs and honour.

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Bill required to explain the extent of this act in 1788.

But while improvements were thus introducing into the administration of our Asiatic dominions, an event occurred in the political situation of the European nations, which appeared to augur a general war, and which, as it might replunge India in anarchy and calamities, rendered it necessary to explain, more fully, the extent of this act.

Events which led to this bill.

A faction had long been forming in the United Provinces of the Netherlands, the object of which, avowedly, was to overturn the established government of that country. The leaders of this association had been first secretly, and now were openly patronized by the ministers of France. Great Britain and its allies, upon this occasion, found it necessary to interfere, because the preservation of the balance of power in Europe required, that our ancient allies should not become the dependants of our declared rivals. The East-India Company on this occasion were naturally alarmed for the safety of their foreign possessions, and therefore petitioned His Majesty, for a reinforcement of European troops, as the only means of defending them from the attacks of the native powers, assisted by France. With his usual paternal care, His Majesty gave orders for raising a certain number of regiments for this service.

Nations frequently owe their preservation to the improvident measures of their enemies. By an impolitic interference with our American provinces, France reflected not that, in giving our Colonists independence, the viper which it had warmed into life, to destroy a rival, might

turn

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turn on the ſource of its re-animation, render it ſickly, and haſten on its fate. It ſaw not, that there was a danger of introducing and habituating the minds of its own ſubjects to principles, as adverſe to the duration of the monarchy, as they have proved to the happineſs of the people. This Court, when it was too late, began to diſcover the conſequences of its improvident conduct—in no condition to ſupport the faction it had raiſed in the United Provinces, it acquieſced in the terms which preſerved and confirmed the eſtabliſhed government of the Netherlands.

Objections made to it.

THE moment that the alarm from the proſpect of a general war had ſubſided in Britain, it was made a queſtion in the Courts of Directors and Proprietors, whether the regiments intended for India ought not to be diſbanded, and the recruits taken to fill up the thinned ranks of their own battalions. The King, however, to give a proper impreſſion, both to the European powers and to the native princes and ſtates, of his intention to ſupport and maintain the dominions of Great-Britain in Hindooſtan, ordered the troops to be embarked and ſent to India. It had, while this affair was depending, been made a queſtion by the lawyers of the Company, "how far the Bill of Regulation of 1784, conveyed to the Commiſſioners for Indian Affairs, an active controul over the revenues of the Company in India?" and "whether or not the conſent of the Proprietors and Directors had not been implied in the ſpirit of the act?" The terms in the act, it was agreed, had not been ſufficiently explicit, though it could not be doubted, that the

Theſe objections removed.

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act itself intended to convey to the executive government, the power of judging of the measures which might be deemed expedient for preserving our Indian possessions. A short bill, therefore, passed in 1788 to explain a point which it was impossible to allow to remain a matter of doubt. To remove every possible objection against this bill, a clause was inserted in it limiting the number of troops to be sent out to India, and restricting the Commissioners from authorizing any encrease of the established salaries and emoluments of any office there, unless such additions should be first proposed by the Directors.

Farther amendment of the act 1784, in 1790-91.

THE general government of the Company's affairs has continued under those regulations to the present time, except in the accidental circumstances when it became necessary, in consequence of the war, to send out to India an additional number of His Majesty's forces (during the Session of Parliament 1790-91); and also, to explain more fully, than the Act of Regulation 1784 had done, the powers of the Governor-general when any exigency might require his presence in a subordinate presidency.

Consequences of these improvements on the general question respecting Indian affairs.

VIEWING then the progress of Indian affairs, either in a political or commercial light, the Administration of the Court of Directors and Board of Commissioners, which has been happily in unison, has had the most beneficial tendency, and prepared both of them to meet the great questions, —Upon what principles ought the state to govern its Indian posses-

poſſeſſions? and Under what regulations ought the trade to the Eaſt-Indies to be in future conducted? INTROD.

The bill by which they are finally to be arranged, muſt be one of ſyſtem.

THE bill now to be propoſed to Parliament for the ſettlement of theſe great national concerns, cannot be one of experiment, but muſt be one of ſyſtem. Formerly the rights of the Company, under their charter, were to be preſerved; and yet their poſſeſſions to be put indirectly under the adminiſtration of the executive government. Now the charter is about to expire, and the queſtion is not only what ſyſtem will be moſt proper for the future government of Britiſh India; but, under what regulations can the trade to the Eaſt-Indies be carried on, ſo as to increaſe the induſtry of our artizans and manufacturers, and the general circuit of our trade?

Importance of this ſubject.

THE public and the commercial importance of this great national queſtion will readily be admitted. To the public, it is of importance to preſerve an extenſive and valuable foreign dominion, to keep up a great and increaſing revenue, to continue and extend their navigation, and to maintain a ſuperiority over the other European nations trading to the Eaſt. To commerce it is of importance, as India is one of the markets for the ſale of our manufactures; as it furniſhes the requiſite materials for the ſupport of others; and as it enables us to ſell Eaſtern commodities in Europe, in exchange for money, crude materials, and manufactured articles, which are again to paſs into the circle of exchange. On the whole, as it contributes, in an important degree, to give

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give to Great-Britain the balance of trade both in value and in price.

Claims of the Eaſt-India Company—

Besides theſe public and commercial ends, political conſequences, not leſs momentous, are involved in the wiſe and liberal diſcuſſion of this ſubject. The Company, on the one hand, will plead that though their right to an excluſive trade is about to expire, they will ſtill be entitled to remain a body corporate, with a right to trade to the Eaſt-Indies on their joint ſtock, that they hold ſeveral of their poſſeſſions, ſuch as the iſland of Bombay, &c. in right of property, on paying a fixed ſum to the Crown; that many of their other poſſeſſions have accrued to them by purchaſe; and that all of them are engaged as ſecurities for their debts; that theſe debts, in many inſtances, have been contracted in wars for their own defence, and all of them on legal grounds; and, on the whole, therefore, that it would be contrary to *equity*, and the *rights* of Britiſh ſubjects, to deprive them of their property, without allowing them, at leaſt, its full value; and contrary to *law*, to deprive them of the means which they poſſeſs for diſcharging, with honour, the claims of their creditors.

Of the nation;

The nation, on the other hand, may inſiſt that the rights of the Company were always underſtood to be for the term of their charter; that undoubtedly being a body corporate, they may continue to trade to the Eaſt-Indies, on their joint ſtock, in common with his Majeſty's other ſubjects; that however neceſſary monopolies may be, in the

infancy

infancy of a trade, in order to afford encouragement to enterprize and remuneration for the ſervices done to the public, they are prejudicial when trade has attained its vigor; for then they check the ſpirit of general induſtry among a people, and enrich a few at the expenſe of the whole; that no doubt, after viewing the profits of the Company ſince they obtained their different grants, as well as the riches which they have acquired from the purchaſes they have made under their charter; and after conſidering the expenſes of their forts and military eſtabliſhments, and of their ſucceſſive wars, the public will allow them a reaſonable compenſation; but that this act of juſtice cannot in any way be argued as a reaſon for including in this eſtimate the value of their conqueſts, becauſe by the laws of the realm, whatever the ſubject, under the authority of the Sovereign acquires by arms, or conqueſt, becomes and is the patrimony of the ſtate; that, on the whole, the queſtion is not *now* what rights the Company hold under their charter, (for this is ſuppoſed to be expired, or at leaſt the notice of its expiration to have been given,) but what compenſation in juſtice is due to the Proprietors? and what ſyſtem for the future government of our Indian poſſeſſions and for the maintaining of the trade of Great-Britain to the Eaſt-Indies, will be moſt wiſe, practicable and permanent?

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THESE claims of the Company and of the nation muſt be liſtened to with candor and impartiality, and decided upon with foreſight and ſyſtem. No reaſonings from what may happen are required to ſhew, that the legiſlature muſt take

The claims of both muſt of neceſſity be liſtened to by the Legiſlature,

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take care that the commerce of Great-Britain to the East-Indies be maintained in full vigor, neither curbed in its ſpirit nor diverted into a foreign channel; nor are any reaſonings neceſſary from principles to eſtabliſh, (what experience has ſo fully evinced) that the patronage of Indian trade and revenue ought to be ſo placed, as neither to interfere with the prerogatives of the Crown, nor with the privileges exerciſed by the repreſentatives of the people. Though ſuch obvious inferences riſe from the moſt general view of this great national queſtion, it ought to be remembered, that whatever bill may be introduced into parliament, in order to ſettle the intereſts of the India Proprietors and of the nation, it muſt be adapted to the preſent ſtate of Indian affairs. The rights of the Company, if they are to be veſted with a new Charter, muſt be defined, and our Aſiatic poſſeſſions muſt, as far as the nature of them will admit, be incorporated with the Britiſh empire. The queſtion then will be, what ſyſtem may be moſt proper, not only for the future government of India, but for connecting with its proſperity, inducements ſufficient to call forth the induſtry of our artizans and manufacturers, the confidence of our merchants and a liberal ſpirit of general commerce?

and not clogged with ſpeculations.

THE Public, no doubt, will have difficulties to ſurmount in ſolving this queſtion, from political ſpeculators who may be intereſted in the deciſion for or againſt the continuance of the Charter to the Company; theſe ſpeculators may run into the extremes of reaſoning on commerce and on revenue. On the one hand, it will be aſſerted, that the idea of profits from abroad

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abroad and general trade to India, is chimerical, ſince the greateſt proſperity of that trade has been owing, not only to the relation which it bears to the Indian revenues, but to the confidence which the natives, both of India and of China, have long had in the knowledge and commercial honor of the preſent India Company; and that if the trade ſhould be opened to new ſocieties or to individuals, the information of neither reſpecting it, nor their credit would be equal to the undertaking. And hence a danger would be incurred not only of reducing the home revenues of cuſtoms and duties, which the Public are daily receiving from the Company's imports, but of throwing the trade into the hands of foreign and rival European nations.

On the other hand, it may be maintained, that though the territorial revenues are great, yet that their value is diminiſhed to the nation, under the pretext of large incidental expenſes in the different civil and military eſtabliſhments, by miſmanagement in the purchaſe of inveſtments, and the manner of conducting the trade; and that although a ſurplus is held out, the debts of the Company are ſtill immenſe and muſt remain ſo, till ſuch time as the revenues of the Indian provinces become entirely a part of the reſources of the Public, and be annually adjuſted by Parliament.

To obviate the impreſſions that may thus be attempted to be made upon the minds of the Public, and to enable

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Means already poſſeſſed by the Public for examining the ſubject.

them to form a juſt idea on the ſubject, they have the information, which for a ſeries of years has been gradually brought before them, together with the experience of the ſeveral meaſures which have been actually adopted for the government of India, and of the benefits which have accrued to the Nation from the Company's trade.

Parliament has employed ſucceſſive Committees, as has already been mentioned, to inveſtigate the true ſtate of the different branches of our Indian affairs, and the reſults, in the form of Reports, have long been open to inſpection and examination. His Majeſty's Commiſſioners for Indian affairs have annually laid before Parliament, accounts of the revenues, expenſes and ſtanding debts of the Company: in ſtating the particulars of which, not only the public documents officially communicated by the Directors, have been reſted on, but every information which could be derived from the local knowledge of men of ability and integrity has been procured and brought forward.

Further information required, to enable the Public to fulfil its intentions reſpecting India.

Notwithstanding the inferences which have been drawn from theſe materials, and the general information they contain, the liberal views of the Britiſh nation reſpecting their Indian poſſeſſions require a variety of particulars to be more minutely enquired into, before it will be poſſible to realize the whole into a ſyſtem.

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THE prevailing opinions reſpecting the future government of India and regulation of trade to the Eaſt-Indies, ſeem to meet in the following deſcription.— INTROD.

—THAT a ſyſtem ſhould be formed, which ſhall preſerve as much as poſſibly can be done, their inſtitutions and laws to the natives of Hindooſtan and attemper them with the mild ſpirit of the Britiſh government:

—THAT this ſyſtem ſhould veſt in the ſtate its juſt rights of ſovereignty over our territorial poſſeſſions in India, of ſuperintending and controling all matters of a financial, civil and military nature:

—THAT it ſhould preſerve the trade to the Company, in all its branches, but give to the executive government a proper authority to regulate their proceedings, bounded by a poſitive reſponſibility to Parliament.

IN order to facilitate the accompliſhment of theſe important purpoſes, it may be proper ſhortly to ſtate the leading facts and events in the hiſtory of the countries in which the Britiſh ſettlements in India have been eſtabliſhed, together with the principal occurrences which have taken place in the countries connected with the Company's trade to the Eaſt-Indies and to ſubjoin to the whole a ſuccinct view of the changes which the trade of the Eaſt-India Company has experienced.

THE

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The leading events in the hiftory of Hindooftan.

THE firft of thefe fubjects will bring forward the real fcenes in which we have been engaged, whether in arms, in politics, or in trade;—the fecond, thofe in which we have been engaged in trade only,—while the laft will lay open the progreffive fituation of the greateft trading affociation in the world. Upon fuch foundations the Public will be enabled to examine the plans, which have been at different times under confideration, for the government and regulation of the Britifh interefts in the Eaft, and to compare them with the fyftem afterwards to be fubmitted to their candor and judgment.

Two leading events will explain to us the chronology of India, in the prefent relation which that country bears to Great Britain, viz. The fall of the Mogul Empire; The Company becoming one of the powers that arofe out of its ruins; and, poffeffing, for upwards of thirty years, provinces yielding a revenue fubfervient to the purchafe of inveftments for carrying on their trade.

THE Peninfula of India was, anciently divided among a number of independent fovereigns or ftates. The inhabitants, at that time, were in the ftage of civilization, when wars are undertaken for plunder,—not with the object of making permanent conquefts. The natural indolence of the Hindoos, and the fuperftitious prejudices by which they have been guided, have rendered them an eafy prey to a fucceffion of invaders. The firft inroads of the Moguls were temporary;—by degrees, they fixed their power, and

became ſovereigns. The eſtabliſhment of their empire was owing to the accidental talents and ſucceſs of a few ambitious and able leaders, who reduced many of the Soubahs to the ſtate of conquered provinces.

THE means by which theſe diſtricts were ſubdued, as well as kept in ſubjection were arms, attended with the vicious propenſity of promulgating a barbarous ſuperſtition, and with the relentleſs fury of perſecution.

WHEN the Mogul Empire was at laſt eſtabliſhed, theſe calamities, inſtead of terminating, were again preparing to break out, and with greater horrors. There was no right of ſucceſſion among the ſons of an Emperor, but that of one of them poſſeſſing ſuperior talents for war and political intrigue. He ſtopped only, with the murder or impriſonment of all, who had, or could have been his rivals: ſcarcely, however, was he ſeated on the throne, when the ſame tragical ſcenes were to be acted anew. His ſons, as they roſe to manhood, were to become commanders of armies and governors of provinces; and then to turn the force of the one, and the wealth of the other, into inſtruments of new rebellion. Hence the Emperor was frequently impriſoned, or murdered, and his family fell before that one of his deſcendants, who was the ſucceſsful uſurper.

AURUNGZEBE, was the laſt of the great Mogul monarchs. Adventurers, who had been firſt ſlaves, or ſoldiers of fortune, and then governors of provinces, raiſed armies and made

INTROD. made themſelves independent princes: became rivals to each other, and in the end, called in the Perſian and Tartar plunderers, overturned the power of their Sovereign, and were themſelves, in ſucceſſion, dethroned, aſſaſſinated, and ſucceeded by their murderers.

By theſe cauſes the unwieldly Empire of the Moguls fell; and Hindooſtan, reduced by perpetual civil wars, to perpetual miſeries, preſented only a ſcene of political anarchy

In viewing India, from the fall of the Mogul Empire to the eſtabliſhment of the territorial power of Great-Britain in the Eaſt; events only, which, after ſuch a revolution, might naturally have been expected, will be found to have taken place, unleſs it was the ſingular one, of a commercial Company, having become a ſovereign power. The ſituation, however, of the uſurpers in the different provinces, opens to view the ſources of this political wonder.

These new Sovereigns, or their families, continued to reign while talents and reſources continued to them, or till ſome new adventurer found opportunities and means to dethrone them. But the name of the Emperor was ſtill in the deſcendants of *Timur*, and their unavailing phirmaunds were given to thoſe who could purchaſe or command them.

Many of the new uſurpers either had real or forged phirmaunds; for the Mahomedan inhabitants ſtill retained

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that

that veneration for the name and authority of the Mogul which prejudices had taught them, and which arms found it difficult to extinguiſh. INTROD.

AMID theſe revolutions, the deſcendants of the ancient Hindoos retained, and had, from ſufferings, as well as religious prejudices, a deep rooted hatred againſt the Moguls. They had, even during the vigor of the Mogul Empire, aſſerted degrees of their power, particularly in the provinces of Moultan, the ſeat of the Rajpoots; and, in the inacceſſible parts of the Peninſula. They now began to entertain the hope of recovering their independence, if not of expelling the conquerors. Under theſe circumſtances the Mahrattah empire was formed. The enterprizing ſpirit of Sevajee, and of his immediate ſucceſſors, in a ſhort time extended it over almoſt half the Peninſula. The ſeeds, however, of new civil wars grew up with their ſovereignty; for the officers of the firſt Mahrattah Rajahs reduced the authority of their deſcendants to merely a name, which the prejudices of that people might revere, but which was rendered as inefficient, as the power of the Mogul had now become.

IT was in this ſituation of the Indian nations, that the European Commercial Companies found their factories or ſeats of trade threatened with ruin, about the middle of the preſent century; ſome of theſe factories they had obtained from the Moguls, before the fall of their empire: others, from the firſt uſurpers of the Mogul power. Preſents and new tributes

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INTROD. were now to be almoſt daily repeated, to every new uſurper whoſe armies required ſupplies, or whoſe power could levy contributions. The force, which had been kept up to guard the factories, was of neceſſity encreaſed. In numbers it was inſignificant, but in military ſkill, it was ſuperior to the native ſoldiers.

France, on the Coromandel coaſt, was the European nation which firſt ſaw the important and valuable acquiſitions that might be made by the ſuperiority of the European military art, and therefore, began to encreaſe its force at Pondicherry. That nation ſcarcely had diſcerned this object, when it became a matter of aſtoniſhment that ſuch a prize had ſo long been unnoticed. After a train of intrigues, and after ſome accidental advantages gained over the numerous armies of the country powers, the French obtained from them ſeveral valuable diſtricts, the revenues of which defrayed the charges of their European army. They next levied a few battalions of natives, to be diſciplined in the European art of war, commanded by European officers, and ſupported by revenues from their conqueſts. This meaſure ſoon gave a decided ſuperiority to their Allies. France thus was admitted to repreſent a branch of the Mogul empire; and, in a ſhort time, became an Indian Sovereignty.

Had the French, at this period, found no opponent but the native ſtates and princes, the ſuperiority of the European military diſcipline would have led them to the ſudden acquiſition

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quiſition of an empire in the Eaſt. Great Britain had, however, at this important criſis in Indian affairs, troops in all its ſettlements, nearly equal in number to thoſe of France, and commanded by officers, whoſe abilities in the field, and talents for political adventure, may have ſometimes been equalled, but ſeldom excelled. Theſe officers now ſaw the line the rival nation of their country had taken, and made the India Company fully ſenſible, that, the acquiſition of territory was but one of the ſchemes of France, another, and the principal, was the expulſion of the Engliſh.

The two nations therefore engaged in the purſuit of the ſame object; and both ſaw, that the ſecurity of their trade depended on the ſuperiority they might obtain in the fields of Indian wars and politics. The armies of Great Britain prevailed, and at the concluſion of the memorable war in 1763, the French power was narrowed to the ancient ſeats of their trade, while Britain, whether viewed as one of the many uſurpers in India, or as having made lawful and honourable conqueſts, found itſelf poſſeſſed of the principal ſeats of its preſent empire in the Peninſula.

In viewing India from the eſtabliſhment of the power of Great Britain, to the preſent time, a very different ſcene preſents itſelf.

The Eaſt-India Company, which hitherto could only be conſidered as merchants, with the requiſite authority over their ſervants, who were ſtationed at their ſeveral factories, now be-

INTROD. came the delegated Governors of rich provinces. Commanding an army, equally well appointed and as numerous as that of the mother country, empowered too to form alliances in India, provided they ſhould not be inconſiſtent with thoſe which Britain had contracted with the European nations having intereſt in the Eaſt, and poſſeſſing from theſe circumſtances a patronage rich and extenſive, they became, in fact, a ſovereign power, amenable only to the ſtate, by which they had been conſtituted and were protected.

THIS power, the Company had neither been habituated to feel, nor trained to exerciſe. The narrow ſyſtem, which was fitted for the management of their factories, was by no means calculated for the government of rich and extenſive kingdoms. The temptations held out to their firſt Governors and Officers, to intrigue and make war in India, were irreſiſtible; and the rewards which they obtained from theſe ſchemes and wars were princely. Hence, the general bent to bring about revolutions, to become the ally of a country power, and to obtain a part of the territories, or tributes of its opponent. And hence the political embarraſſments in which ſuch ſchemes plunged the affairs of the Company, as well as the meaſures of the ſtate.

THE Indian powers, who had experienced the ſuperiority of the European diſcipline, were now determined to copy it. Men of talents always appear amid the ſtruggles of nations. Hyder Ally, a ſoldier of fortune, and the Mahrattah Chiefs,

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in a leſſer degree, began to adopt the European art of war. INTROD. From local ſituation and from fineſſe in character, they ſoon became our rivals in arms and in politics. The former, like another Hannibal, was determined to extirpate the new maſters of the Indian world; and the latter, who had war for their national reſource, wiſhed equally to cruſh this uſurper and the ſtrangers.

It was natural for France to take meaſures for recovering its power in the Eaſt; and by intrigues and military aids to ſecond the efforts of the Indian enemies of the Engliſh.

Scarcely had the peace 1763 been proclaimed in India, when the agents of France again wrought themſelves into influence with Hyder Ally and with the Mahrattahs. This ambitious court, though it could not yet ſee the immediate means, by which it was to rekindle a war in India, yet was deciſive in its choice of the inſtruments to be employed in it. Hyder Ally, ſeconded by his ſon, was forming the plan of becoming Nabob of the Carnatic, and negotiated with the French for aſſiſtance to ſecure to him a ſovereignty, in which, he flattered them, they were to participate. The train of negotiations and of wars which followed, were unfavorable to the Engliſh intereſts, and in the impreſſions which the iſſue of them made upon the native powers of India, we diſcover the ſources of the general combination which they formed, in connection with France, for extirpating the Engliſh from the Peninſula. The war and the negotiations which followed, though chequered with

INTROD. misfortunes, yet ultimately left us in poſſeſſion of our dominions, loaded, indeed, with a large debt and divided by parties in each of the Preſidencies, but under circumſtances, which called for the interference of Parliament, and that led to an arrangement of Indian affairs, to which poſterity will look back with approbation.

The idea that the Indians, anterior to the eſtabliſhment of the Britiſh power, had lived in that golden age, in which Nature ſpontaneouſly dropped her ſtore into the hands of the innocent defenceleſs natives, is not leſs fabulous than that all their miſeries have ariſen from the wars, oppreſſions and cruelties of the Engliſh. This prejudice is contradicted by facts, which evince, that the provinces acquired by Great Britain and the territories of its allies have enjoyed a proſperity formerly unknown in Hindooſtan. The hiſtory of that country proves that the Mogul empire was founded on violence and perſecution; that the ſpirit of its government was abſolute and oppreſſive, from its riſe to the period of its fall; that the degrees of its inſtitutions which continued in practice among the new ſovereignties that ſprung up out of its ruins, had an equally oppreſſive tendency; that the tranſmigration of its eſſence into the adminiſtration of the independent Hindoo ſovereignties, corrupted their ancient purity and freedom; that the portion of its policy introduced by the conquerors of the Britiſh Indian provinces, was a meaſure dictated by a new and unknown ſituation: that, in fine, the gradual manner in which it has been moulded down

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into a milder ſyſtem under the Britiſh government, laws and police, is to be aſcribed to the character of a free, though conquering people. The whole of theſe particulars taken into one broad view, will prepare the Public to judge of the queſtion, "How far the ſpirit of our government, "laws and uſages can be engrafted on Aſiatic inſtitu- "tions?"

Of China and of the Eaſtern iſlands.

IN the next place, in giving a view of plans which have been propoſed for the regulation of our Aſiatic intereſts, we muſt refer to the Political and Commercial Hiſtory of China, and of the Eaſtern Iſlands. But in this branch of the ſubject, we are not, as yet, poſſeſſed of adequate documents or evidence. Neither China nor the iſlands on its coaſts, to which the Company's limits extend, are, after all our commercial intercourſe with them, ſufficiently known to us. The materials for a Hiſtory of China are ſtill *deſiderata* in the annals of nations. We know little more of this ſingular people, than what the mutilated reports of miſſionaries and voyagers furniſh. The records of the Company's connections with China, in few inſtances, go beyond the accounts of their ſhipping, profits and loſſes of trade. The embaſſies of the Mogul and of the Perſian monarchs which have been ſent to China for the purpoſe of opening a political and commercial communication with that empire, have proved as unſucceſsful in their negociations, as thoſe from the European commercial ſtates have been unfortunate. When, indeed, it is conſidered, that the vicinity of the Mogul empire to China rendered caution

INTROD. caution a neceſſary principle with the Chineſe, and that the bullion and exports of the European nations placed them in the inferior rank of merchants, though able, from their naval power, to diſtreſs the coaſts and ſhipping of China, we ſcarcely can be ſurpriſed, that this ſecluded nation, conſcious, perhaps, of the ſuperiority of the ſtrangers, embraced the narrow policy of prohibiting them from an eaſy, or an open intercourſe in their country.

It was not till Great Britain found it expedient, in conſequence of the enlarged trade to China, to open a more extenſive commerce from its Aſiatic dominions to that empire, that it projected the plan of a political communication with China. The ſituation and reſources of that country, made the Company and the executive power equally anxious to try, whether it was practicable to open new markets for Britiſh produce in the interior of it, or to obtain imports from it on eaſier and more liberal terms. The death of the firſt honourable conductor of this ſcheme cut off the proſpect, for a time; but the progreſſive ſpirit of our improvements has again pointed out the propriety of the ſame experiment to the nation. Till the reſult ſhall be known, we muſt limit our obſervations on the plans for the China trade, to what the experience of the Eaſt-India Company can afford us. Should the preſent effort ſucceed, we may then hope to unfold the nature of the Chineſe government and commercial reſources, and be able to decide how far that country may become a field, in which

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the commercial induſtry of the Britiſh nation can reap its reward. INTROD.

If we are better informed reſpecting the Eaſtern iſlands connected with China, in conſequence of our own and the intercourſe of the Dutch with them; and if ſince the paſſing of the commutation act, we have acquired the greateſt part of the trade between Europe and China; yet ſtill we are to learn what is the political and commercial relation ſubſiſting between theſe iſlands and China, and, of courſe, what the value of both may be in our Aſiatic concerns. In bringing forward, therefore, this branch of a plan, for the regulation of the trade to the Eaſt-Indies, we muſt proceed on the Company's Records alone, till the evidence ſhall be obtained upon which a ſyſtem for it can be rendered more perfect.

Of the Eaſt-India Company;

In the third place, we muſt, in examining former ſchemes, and in ſuggeſting a plan for the future management of Indian affairs, refer to the leading events in the hiſtory of the Eaſt-India Company, in order to form practicable regulations for the continuance and improvement of our trade. The Company aſſumed different aſpects at different periods. Our firſt traders to the Eaſt-Indies were only an aſſociation of adventurers, each depending for his credit upon his own ſtock. From the ſtruggle which they had to maintain againſt the other European companies, they were ſoon obliged to combine the ſtocks of individuals to ſupport their credit as a Company.

 Scarcely

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Scarcely had this effort been made, when they were embarraſſed by opponents at home, more dangerous than thoſe abroad againſt whom they had united. Licences were granted by the Crown to individuals, and a new aſſociation was authorized to trade within the London Company's limits. At length, after a variety of political and legal diſcuſſions, the important event of the union of the two Engliſh Companies took place. From this period the commerce of Great Britain to the Eaſt-Indies, was conducted on nearly the ſame footing with that of the Dutch; that is, exporting treaſure and manufactured produce, and importing, either directly from India or China, or circuitouſly from the former and the latter country, Aſiatic produce for the Europe market. The dominions which the Company afterwards acquired, in India, aroſe not from any deſire of conqueſt, but from the neceſſity their ſervants were under of oppoſing the ſchemes of France. The rendering the revenues of thoſe territories ſubſervient to inveſtments was a neceſſary conſequence of the acquiſitions being made by a commercial Company, and of the diſtance of the Indian provinces from the ſeat of government. From this juncture the ſcene becomes new, equally to the hiſtorian and to the œconomiſt; to the hiſtorian if he is to explain the political ſituation of the provinces from which a revenue was drawn that was to purchaſe the inveſtment for China or for Europe; to the œconomiſt, if he is to examine the progreſſive effects of this new ſyſtem of trade upon our manufactures and domeſtic credit.

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It could not be expected either that the Public or the Legiflature, or even that the Company who managed this concern, could, at once, become judges of the extent of it. All men of obfervation were fatisfied, that nothing more than experiment and regulation were practicable. The Company leaned on the protection of the ftate, and the ftate as it gave this protection gradually found it neceffary to place Indian affairs under the control of the executive power, fubject to the review of Parliament. In this way alone the Legiflature (if we decide from experience) can render the Afiatic dominions and trade of Great Britain to the Eaft, efficient branches of the Empire and of its refources.

History of the plans which have been formed for the government of Britifh India and trade to the Eaft Indies.

In the laft place, the Public have not yet been informed of the plans which, from time to time, have been devifed and recommended for the better government of our Afiatic dominions, and regulation of our trade to the Eaft-Indies. Before the acquifition of our territories, the plan of conducting the Eaft-India trade was uniform all over Europe. Factories, with a guard to protect them, and a marine to ferve as convoys to trading veffels, or to balance the naval efforts of the native or European powers, conftituted the foreign fyftem. The domeftic fyftem was merely commercial, and a fubject only of parliamentary obfervation, in fo far as it contributed to the revenues or exigencies of the ftate. After, however, the Englifh Company had obtained the delegated fovereignty of rich provinces in the center of India and

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References to theſe ſources of information, the object of this work, and a proper foundation for a ſyſtem of Indian affairs.

THE review of theſe plans ſeems to be the proper foundation upon which to reſt a ſyſtem for the future government of our Aſiatic dominions and trade to the Eaſt-Indies, and will become the firſt object of this work. It will lead forward to the ſecond, or to the outlines of a plan for theſe national ſubjects, drawn from the records of the Company, and from the archives of the ſtate. In this way we may be able to develope, from the Hiſtory of India and of our commercial connection with China, not only the ſyſtem of government and of trade which our poſſeſſions will admit of, but the

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mode of engrafting a foreign dependency on the Britiſh conſtitution. By ſuch an explanation of the plans for Indian affairs, plauſible or impracticable ſchemes may be checked, and the attention of the Public fixed on the only foundations upon which a ſyſtem for India affairs ſeems to reſt. With this preparatory information, the Public will be aſſiſted in examining and deciding upon the greateſt queſtion, in commercial and political œconomy, that has occurred in the annals of civil ſociety.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

PART I.

HISTORICAL VIEW OF THE PLANS WHICH HAVE BEEN OFFERED FOR THE GOVERNMENT OF THE ASIATIC TERRITORIES OF GREAT BRITAIN, AND REGULATION OF TRADE TO THE EAST-INDIES; WITH THE POLITICAL AND COMMERCIAL PRINCIPLES WHICH SEEM NECESSARY TO BE RECOLLECTED IN FORMING A PLAN FOR THE FUTURE ADMINISTRATION OF INDIAN AFFAIRS

THE TANJORE MAHARAJA SERFOJI'S SARASWATI MAHAL

CHAP. I.

REVIEW OF THE PLANS WHICH WERE SUGGESTED FOR THE GOVERNMENT OF THE ASIATIC TERRITORIES OF GREAT BRITAIN, AND REGULATION OF TRADE TO THE EAST-INDIES, PREVIOUS TO THE ESTABLISHMENT OF THE BOARD OF COMMISSIONERS FOR THE AFFAIRS OF INDIA.

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the Foreign Syſtem for Indian Affairs.—His Reaſons for recommending theſe Syſtems;—for increaſing the Stock and fixing the Dividends on it;—for recruiting the Army;—for eſtabliſhing a Naval Force in India, equal to the Defence of our Settlements;—Political Meaſures of the French in India. His Idea of ſecuring to Great Britain, the Balance of Power in India.—His Opinion on the Improvements competent in the Judicial Power—Inferences from this review of Lord Clive's Plans,—reſpecting the Revenues and Trade,—reſpecting the Peculations, &c. in India;—reſpecting the Reſources and the Alliances required for the Company;—reſpecting a Naval Force in India;—reſpecting the Military Power in India;—reſpecting a Judicial Power in India.—The Defects in the Home Syſtem of Indian Affairs, the Source of Corruption in the foreign Adminiſtration of them; and this, in its Turn, the Source of the numerous and oppoſite Plans for new modelling and improving the Whole—Theſe Plans reduced to the Form of a Digeſt, by Mr. Lind; and the Subſtance of them ſtated under a Succeſſion of Queſtions. 1. *Queſtions,*—Upon what Political Principles can the Indian Provinces be held by Great Britain?—*Opinion of Mr. Francis.—Opinion of Mr. Chambers.—Objections to this laſt Opinion, by Mr. Francis.—Opinion of Sir Elijah Impey. Remarks of Mr. Lind*

Lind upon the Whole of these Opinions. 2. *Question*,—In whom is to be vested the executive Power in India?—*Opinion of Mr. Chambers.—Opinion of Sir John Clavering.—Remarks by Mr. Lind upon these Opinions.* 3. *Question*, Under what Restrictions is the Power of subordinate Legislation to be exercised? *Opinion of Mr. Chambers;—Opinion of Mr. Hastings;—Opinion of Sir Elijah Impey;—Mr. Lind's Observations on these Opinions.* 4. *Question*, Under what Title, and in what Manner ought the Territorial Revenues to be collected? *Historical Facts upon which Mr. Francis and General Clavering formed their Opinions;—Remedies proposed by them;—Opinion of Mr. Hastings;—Observations of Mr. Francis on it;—Observations of Mr. Lind on the Whole.* 5. *Question*, How are the other Revenues to be collected? *Opinion of Mr. Hastings;—Objection to it, by Sir John Clavering;—State of Monopolies in the Bengal Provinces at this Time;—Mr. Lind's Remarks on this Subject.* 6. *Question*, By what Courts ought the Judicial Power to be administered in the British Provinces in India? *Opinions of Mr. Hastings and of Mr. Barwell;—Opinions of Mr. Francis and of General Clavering;—Mr. Hastings's System of Civil Jurisdiction, founded on his Plan of Government of* 1772*;—his System of Criminal Jurisdiction on the same Basis;—of Police for Calcutta;—Improvements on both proposed by Sir Elijah Impey;—his attempt to reconcile these Systems to each other;—opposite Systems of Sir John Clavering, Mr. Francis, and Colonel Monson;—Opinion of Mr. Lind, on the Whole of these Systems of Jurisdiction and of Government. Principles upon which Mr. Hastings and Mr. Barwell formed their Plans*

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of Government and Jurisdiction;—Sir Elijah Impey's Bill founded on them;—Inferences suggested by the Whole of these Opinions and Systems;—tending to fix our Notions of the Government suited to British India;—tending to fix our Notions respecting the Rights of Great Britain to its Asiatic Provinces;—tending to fix the Kind of Jurisdiction required in them. Mr. Dundas's Bill, proposed in 1783.—*The part of it which regarded the System of Government suited to our Possessions in India;—the part of it which regarded the Situation in which the Natives were to be placed under the British Government;—the part of it which regarded the immediate Settlement of the reciprocal Claims of the Company and of the Native Powers, on each other:—general Tendency of this proposed Bill. Mr. Fox's Bills proposed in* 1783.—*His proposition which regarded the Arrangement of the Domestic Affairs of the Company;—Objections made by the East-India Company against its passing into a Law;—His Proposition which regarded the Arrangement of the Foreign Affairs of the Company;—Objections made by the East-India Company against its passing into a Law;—Effect of these Objections upon the public Opinion. Mr. Pitt's Bill proposed in* 1784. *Objections made against its passing into a Law;—Answers made to them;—Effect of the Whole on the public Opinion.*

CHAP. I.

AFTER the Eaſt-India Company had become delegated ſovereigns in Hindooſtan, their tranſactions, in this new character, were made ſubjects of parliamentary attention and enquiry, and the queſtion preſented itſelf to the Public, *Upon what plan ought the Britiſh poſſeſſions in India and trade to the Eaſt-Indies to be conducted?*

General queſtion reſpecting the government of India, and trade to the Eaſt-Indies.

THE novelty of the event of a Company of merchants adminiſtering the political and financial intereſts of rich and extenſive provinces, and of being veſted with a portion of the executive power of the ſtate, was a circumſtance, in itſelf, ſufficient to render any anſwers, which could at that time be given, vague and unſatisfactory. The hiſtory of Hindooſtan, in which the provinces were ſituated, was, at this juncture, new to the moſt intelligent of the Company's ſervants. In England, little more of it was known than the Names of a few of the late Emperors, or thoſe of the uſurpers, who were erroneouſly conſidered to be native Princes, with rights, which had deſcended to them from the moſt remote antiquity. The hiſtory of the Eaſt-India Company was, almoſt, as little known, as that of the countries to which their ſhips had reſorted :—the Public had been attentive only to the ſums which they could pay on the renewal of

Difficulties and prejudices ariſing from the novelty of the ſubject.

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their exclusive privileges; or to the duties, which their trade had yielded, as one of the national resources. All men, however, were struck with the magnitude of their acquisitions, and those who beheld, only, the great fortunes, which their servants brought to Europe, comparing them with their own narrow possessions, listened with prejudice and credulity to the magnified accounts, which were published of their injustice, violence, and depredations. Though the English nation may sometimes be deceived, and, from the love of Justice by which it is distinguished, be too hasty in vindicating its national honor; a little time soon brings forward facts and events, to its notice, and, upon them, it uniformly has decided, with discernment and with equity.

Progressive views of it taken by the Public.

In no instance has this national character been more fully illustrated than in the opinions which have been formed, shifted from, and new modelled upon the subject of Indian affairs. At first, the Public called for the punishment of Indian delinquents, but started back from the infliction of it, till evidence could be obtained. It then called for plans of regulation; but soon discovered, that unless the rule was adapted to the case, the wisdom, or apparent comprehensiveness of it was of no value. It next listened to speculations on the good and bad effects of exclusive privileges of trade; but, after examining them, discovered that the authors had been reasoning about a few facts, instead of collecting the evidence from which a solid judgment upon the subject could be deduced.

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The general review of the hiſtory of India, and of the Eaſt-India Company, with which this work has been introduced, is ſufficient to ſhew the gradual manner in which opinions upon this great national ſubject have been formed, and to put the Public on their guard againſt adopting raſh or improvident ſchemes in the future regulation of it.

General objects of the plans reſpecting it.

In order to ſimplify the ſubject of Indian affairs, it will be of advantage to conſider the plans and opinions which have been propoſed or recommended for the management of them, both by referring to the ſpecific objects of each plan and ſcheme, and to the chronological ſucceſſion in which they have been ſubmitted to the Public, or to the executive Power.

The two great objects of conſideration in the moſt early period of the enquiry were,—The rights of the Company, and the rights of the State. The proprietors and ſervants of the Company naturally reaſoned with a view to eſtabliſh the former; the lawyers and political œconomiſts, to aſcertain the latter.

Reaſonings of the Company upon thoſe plans.

The Company reaſoned, that the territories were an acceſſory to their trade; that they had an excluſive right to them, during the term of their Charter; that the irregularities which had prevailed among their ſervants, in India, were nothing more than what the ſuddenneſs of the conqueſt, and the want of a ſyſtem for governing the provinces

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vinces had produced; that with time and experience, and further powers from the ſtate, theſe evils would be remedied; and that the Company had a right to expect, from the ſtate, further powers to govern a country which they had added to the Britiſh empire.

—of the lawyers,

THE Lawyers, in general, on the other hand, argued, that when Subjects acquire territories in a war, they acquire them for the ſtate; that to ſuppoſe our Indian poſſeſſions to be an *acceſſory* of the trade, was reaſoning from the principles of municipal law on a caſe that could only be examined on thoſe of the law of nations; and that even ſuppoſing the right of the Company to the produce of their territories to be a perfect one, ſtill the conſequence could not be, that the ſtate was not to interfere in the adminiſtration of a dependency of the empire. Oppoſite poſitions to theſe were laid down by the Lawyers of the Company; who held, that the territories having been acquired under the Charter giving an excluſive privilege, belonged to the Company. The only inference which can be drawn from the peruſal of theſe voluminous diſputes is, that the event has given the right of adminiſtration to the ſtate, and left the territories to the Company, with the charges of maintaining them during the period of their excluſive privilege.

--of the political œconomiſts.

THE reaſonings of the political œconomiſts, tended, generally, to eſtabliſh the right of the ſtate to participate in the profits of our Indian poſſeſſions, and the propriety or impropriety of continuing the excluſive privileges of the

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Company. Two circumſtances, at this juncture, render the reaſonings of this claſs of writers unintereſting to us. In the firſt place, the queſtion is not now, whether the Public have a right to diſpoſe of their Indian poſſeſſions and trade; but whether it will be expedient to continue the excluſive privilege to the Company, or not. In the ſecond place, the reaſonings themſelves are ſo warped with the prejudices of the times in which they were offered, that to bring them forward to notice now, would tend only to revive an unneceſſary and uſeleſs diſcuſſion.

General ſource of theſe plans.

WHILE Parliament were employed in enquiries into the actual ſtate of the Britiſh intereſts in the Eaſt-Indies, a variety of plans were brought forward and ſubmitted to the conſideration of Government. Some of them came from the ſervants of the Company who had been active in acquiring our Aſiatic poſſeſſions; others of them were ſuggeſted by men of political knowledge, in Europe, with the object rather of diſcuſſing particular points, than of eſtabliſhing a general ſyſtem.

The plan of Lord Clive; the firſt and moſt intereſting of them.

THE following plan has been aſcribed to Lord Clive; and the review of it will afford ſatisfactory information of the prevailing opinions, at the time when Parliament were carrying on their enquiries to diſcover the value of our Indian poſſeſſions, and when they were deliberating whether this diſtinguiſhed conqueror was to receive the cenſures or the thanks of his country *.

* This Manuſcript is dated the 24th of November, 1772.

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His ideas refpecting the fources of the anarchy which prevailed in the Britifh poffeffions in the Eaft.

His Lordfhip fets out with obferving, that the fituation of the Eaft-India Company's affairs, had become fo involved, as to have awakened the attention of the minifters of the King, excited fear and defpondency in the Proprietors and Directors, and a general alarm in the Public. The whole diftrefs, however, he confiders to have arifen from the improvident participation of the Duannee revenues between the Public and the Company. With the view of illuftrating this fource of confufion, he compares the ftate of the Company before they became poffeffed of the territories in India, with what it was in 1772. The refult of the comparifon, his Lordfhip concludes, would be the eftablifhment of the following facts:

1ft. That from their not having a place of fecurity in India, and a military force not exceeding one thoufand Europeans, the civil fervants of the Company, including thofe who had licences to remain in India, were encreafed to about two thoufand; the military fervants (black and white) about fixty-five thoufand, of which number nearly ten thoufand were Europeans. That the Britifh poffeffions were more extenfive than the kingdoms of France and Spain united; that the inhabitants, who might be termed Britifh fubjects, amounted to about twenty millions; and the revenue was little fhort of fix millions fterling.

2d. That the qualification to vote, was then* too fmall, being only £500 ftock. That exertions had been made by the Directors, beyond their actual wealth, to purchafe votes. That the fervants of the Company had often returned

* That is, in 1772.

turned with fortunes, to obtain protection by purchasing votes in the Court of Proprietors—That these votes were at the disposal of the Directors, who, in return, absolved their servants from the charges brought against their conduct, and sent them back to new places of trust in India.

3d. That the principal servants of the Company abroad, had entrusted the management of the revenue to junior servants; who, in their turn, had assigned this duty to black agents: hence general extortion on the one hand, and the fradulent receipt of money on the other.

4th. That the expenses of fortifications, cantonments, and, indeed, of every thing which regarded the army, had been absurdly extravagant.

Question arising out of his examination of them.

Upon these grounds Lord Clive stated the following general question: *Can the Charters which were granted for the guidance of a limited Company of Merchants, be adequate to the government of an extensive empire?* After deciding, in the most positive terms, on the inefficiency of them, he proposes the following new system for Indian affairs, both at home and abroad.

His notion of the home system for Indian affairs.

The home system to be as follows: The Directors to be twenty-four in number, and to continue in office, seven, five, or, at least, three years; the salary of the Chairman to be £.1500 per annum; that of the Deputy, £.1000 per annum; that of each Director, £.750; but that no person, being a member of the Court of Directors, should have any other gratification, and should be declared incapable of buying or selling India stock, while holding this trust. The qualification

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fication of a voter to be £.1000 ſtock held by him, as his own property, for ſix months. In the event of a vacancy, in the office of Director, it ought to be filled up by the Court. When the general election of Directors ſhould happen, the Proprietors ought to chuſe a new ſett, and not to have the power of continuing any of the former Directors in office. The Proprietors ought not to have the power of diſmiſſing any Director, after his firſt nomination, without the conſent of Parliament.

His notion of the foreign ſyſtem for Indian affairs.

THE foreign ſyſtem Lord Clive recommended to be as follows: The Court of Directors to have abſolute power over their civil and military ſervants abroad. The Court of Proprietors to have a controuling power over the receipts and diſburſements at the different preſidencies. The Court of Directors to have the right of forming, from their own number, a ſecret committee, conſiſting of the Chairman, Deputy Chairman, and three Directors, for the adminiſtration of political and military affairs only. The Committee of Correſpondence to be diminiſhed, being too numerous to be entruſted with the ſecrets of adminiſtration. The firſt nomination of the twenty-four Directors to be in the King or Parliament; but all future nominations to be in the Proprietors. The Governor-general of Bengal to have £20,000 per ann. ſalary, and alſo the expenſes of his table, and enſigns of honor, defrayed. The members of Council to have each £10,000 ſalary, and £5000 per annum for the expenſes of their table, and other incidents. Bengal to be the ſtation of the Governor General and Supreme Council, and all orders from it to the other preſidencies and councils to be implicitly obeyed, unleſs countermanded by ſpecial orders from the

Court

Court of Directors. The mode of reformation, by temporary fupervifors, (he obferves) having been found inexpedient, the rank of the Governor-general and Supreme Council ought to be fixed, to prevent the fubordinate Prefidencies from acting with any other object, than for the prefervation of Bengal, the center of the Britifh dominions, in India. The commercial affairs, in India, to be placed under a council of eight, in which the Governor-general, or a member of the Supreme Council, ought always to prefide. The falaries of this council, as well as of all the civil fervants (writers excepted) and thofe of field-officers, and of furgeons of the army, to be fettled by fhares in the falt trade only.

His reafons for recommending thefe fyftems.

SUCH is the outline of the home and foreign fyftems for Indian affairs, propofed by Lord Clive. With the view of recommending them to the Public, he fubjoins fome very interefting remarks on the fubjects, which, at that time, were occupying the attention, both of the Company and of Parliament. As the fubftance of thefe remarks will throw confiderable light on the early ftage of our Indian interefts, they may be digefted in the following order:

For increafing the ftock, and fixing the dividend on it.

1. The fubfifting act of parliament * which bound the Company to pay £400,000 per annum to the Public, at the time the proprietors were receiving $12\frac{1}{2}$ per cent. ought to be repealed. The dividend ought to be lowered to 9 per cent. on the public faith being pledged, that Parliament

* See 7th and 9th Geo. III.

 would

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2. That

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For recruiting the army;—

2. That there ought to be a regiment of the Company, ſtationed in England, by the authority of an act of parliament;—drafts both of officers and of men might be made from it, as the ſervice required. This eſtabliſhment his Lordſhip had recommended ſo early as 1764, but the bill introduced into Parliament for that purpoſe, was rejected in 1770. Such a corps, he thought, would always afford drafts to fill up a garriſon of 600 men for Bombay, a ſtation of the utmoſt importance to the Britiſh ſhipping. Had the French, he ſays, poſſeſſed a retreat for their ſhips, in the war 1756, the ruin of their intereſts in India might have been averted; he concludes, that Bombay would be the place the moſt open to an attack, if ever France ſhould again attempt to acquire a ſuperiority by ſea, in the Eaſt-Indies.

for eſtabliſhing a naval force in India, equal to the defence of our ſettlements.

3. Two-thirds of the Company's ſhips ſhould be able to carry 70 guns each, or be *armée en flute*; by this meaſure they would be able to oppoſe any ſudden attack made by the French, and to defend our ſettlements till a reinforcement ſhould come from England. Three ſail of the line aſſiſted by eight of the French Company's ſhips, withſtood the attack of Sir George Pocock, with nine ſail of the Britiſh line. Theſe 70 gun ſhips would be the moſt proper for conveying men and military ſtores upon any expedition; they would be ſufficiently ſtrong to take under their convoy the remaining third, which ought to be continued of the preſent ſize, as fit for the river Hooghly. Should we, at any time, ſays he, allow the French to get the ſuperiority at ſea, in the Eaſt-Indies, the conſequences would be, the

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loſs to England of about 66 ſail of Eaſt-India ſhips, which might be turned into a marine by our natural enemy, and thus give France a decided naval and commercial ſuperiority *. France, beſides, he adds, has about 10,000 men at the iſlands, though a garriſon of 600 men would be equal to the defence of them. This force they have ſent to India in the ſhips armée en flute, each ſhip generally, has 200 aſſigned it, but could eaſily take in 400, and thus give them an army of 20,000 Europeans. Pondicherry had been made almoſt impregnable, and if this force ſhould march from it, aſſiſted by 40,000 native troops, either levied by the French, or obtained from Hyder Ally, they not only could drive us out of our poſſeſſions, but add Hindooſtan to the French empire. It has been erroneouſly ſuppoſed, he ſays, that Nadir Shah had left no riches to be gleaned up by a future conqueror; for ſuch a force as has now been alluded to, could eaſily collect what would defray the expenſes of a war in India, and leave the conquerors either to be ſovereigns of the Peninſula; or to retain the native Princes as their tributaries. That America (his Lordſhip obſerves) will, ſooner or later, become independent, there can be no queſtion; and if France ſhall be able ſo to dupe Spain as to induce it to give the Americans aſſiſtance, then France might add to our Eaſtern, our American loſs, and reduce us to become an inſignificant power

* Lord Clive ſuppoſes the Dutch, Danes, Swedes, and Portugueſe to have about 198 ſail of trading veſſels to and in the Eaſt-Indies, and concludes, that they too would fall a prize to the French, if that power ſhould be able to drive the Engliſh from the Eaſt-Indies.

in

in Europe. The ceſſion, indeed, of New Orleans, by France to Spain, he thought was a meaſure obviouſly calculated to keep up the jealouſy between that kingdom and England; and was intended to prevent the latter from any ambitious deſigns on South America.

In illuſtration of theſe ſtriking remarks, the following obſervations and directions, with reſpect to the conduct of Great-Britain, are ſcattered over this irregular but maſterly memoir.

Political meaſures of the French in India.

The late treaty (1763) reſtored France to her *comptoirs* in the ſituation they were then in—The diſtrict round Pondicherry did not yield a revenue of £.5000 per annum—The prime coſt of all her trade upon the coaſt did not exceed £.60,000 per annum; and yet ſhe was erecting fortifications at the expenſe of half a million, and had a garriſon maintained at more than the expenſe of all her Indian revenues and prime coſt of her eaſtern trade.

The French iſlands, he obſerves, lie out of the tract of our ſhips. Tranſports, with 500 men on board, ſteal out from them without the poſſibility of our knowing it, till they are landed at Pondicherry. France was extending her ſettlements at Madagaſcar, and could draw from them any quantity of proviſions. The inference was obvious, that France was preparing for a vigorous effort to recover her ſuperiority in the Carnatic.

Hyder

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HYDER ALLY, he adds, is difpofed to fecond the views of France, and is in a condition to do fo. Turning then the eye from Cape Comorin (the fouthern point of Hindooftan) to Cattack and Ballafore, and from this Cape to Nellore, the fea coaft is fo much under our influence, that there exifts no power on it capable of giving affiftance to the French but Hyder Ally. From Nellore to the northern provinces, which extend as far eaft as Ganjam (the Soubahdar of the Deccan excepted) there is no power within 150 miles of the fea able to fecond them. The country of the Berar Mahrattahs begins on the northward of Ganjam, and ftretches along the coaft to Cattack and Ballafore, from whence the Bengal provinces may be entered. The boundaries of the Mahrattas extend northward to the Caramnaffa, the limit between us and Sujah Dowlah's country. Through the whole of this laft fpace, there is no other power within 600 miles of the fea, from which France could derive effectual aid.

His idea of fecuring to Great Britain the balance of power in India.

IF then the object of Government is to render the Company's poffeffions permanent, the following political and military meafures are obvious. There fhould always be, in the treafury of Bengal, ready for any emergency, not lefs than 100 lacs; and, in that of Madras, not lefs than 50 lacs of rupées, agreeably to the plan of Mr. Verelft. Whoever can pay an Indian power has its affiftance. Hyder Ally fhould be offered almoft any terms to detach him from the French intereft, and if he fhall refufe to accept of them, we ought to crufh him entirely, and at all events. A body of the Mahrattahs fhould be taken

into

into pay, (and they can at all times be bought for a ſum of money) to ſecond our plans; this meaſure would prevent the French from obtaining a hold of that intereſt. The conduct of France, at Pondicherry, ſhould be narrowly watched, to prevent their giving to that place the appearance of ſuch conſequence to the country powers as might induce them to prefer an alliance with its poſſeſſors to one with England, and might check the efforts of our rival in forming Indian alliances. The northern provinces ſhould, at all events, be ſecured; ſo that, if the French ſhould attempt to carry the war into the Carnatic, they might not be able to uſe Hyder Ally as the ladder by which to climb to a ſovereignty in India. With this view, Cattack ſhould have been obtained from the Mahrattahs, and the Engliſh would then have poſſeſſed the ſea coaſt from Bengal to Cape Comorin. At all events, the fortifications of Pondicherry ſhould be kept in ſuch a ſtate as to be at our mercy, the moment that a war is declared. If this were done, it would be impoſſible for the French to raiſe, or diſcipline an army of natives, or to fit out a field train and equipage. If, on the contrary, Pondicherry be allowed to become ſufficiently ſtrong to reſiſt us, or if we wait quietly till a war ſhould be declared, and till Hyder Ally can be brought to the aſſiſtance of our enemies, our deſtruction would be inevitable. Should France ever be able to land a body of Europeans (and the caſe may be put) ſuffieient to meet our forces in the Carnatic, a battle ought always to be avoided. An enemy rendered deſperate, may overcome difficulties that appear inſurmountable. An enemy, too, that attacks, always fights

CHAP. I. with more ſpirit and reſolution than an army that defends, and has the poſſibility of a retreat. If the French were ſuperior in Europeans they ought to be oppoſed by a body of light infantry, and artillery, and by ſuch number of cavalry as we could afford to pay; the main body ſhould be perpetually haraſſed; their detached parties cut off; and death be made the immediate conſequence of any of the natives ſupplying them with proviſions. However formidable their numbers might be, and ſupported by whatever ſquadron, this conduct, on our part, would neceſſarily and ſoon oblige them to reimbark. Should France attempt an attack on Bengal, and even could it land 10,000 men in that country, unaſſiſted by the natives, the project would be ſuperlative madneſs. If it even were ſuppoſed that they could reach Calcutta before the climate had effected their deſtruction; if they even ſhould make themſelves maſters of that Fort, the Engliſh would have the obvious reſource of ſending the inhabitants (black and white) up the country, with their riches and effects; and, by haraſſing the parties which the French muſt ſend out for proviſions, could ſoon render it impoſſible for them to maintain that ſtation. To provide againſt ſuch an emergency, however, parties ought to be ſtationed on both ſides of the river, at proper diſtances from each other: this would make it impoſſible for the enemy either to ſurprize us, or to bring us to a general action. Had Sujah Dowlah, in 1757, purſued this conduct, avoided a general action, and refuſed to conclude a treaty, neither our army nor our fleet could have remained three weeks at Calcutta.

4. THE

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His opinion on the improvements competent on the judicial power.

4. The judicial powers exercifed by the Company in their new fettlements required to be completely new modelled. The town of Calcutta, alone, comprehended from three to four thoufand inhabitants, fubjects of the East-India Company; law-fuits were numerous and endlefs, and conducted by ignorant, petty-fogging attornies, who were fcandal to their country, and a difgrace *even* to their own profeffion. Numbers of them had been originally ferjeants in the army, or purfers to fhips; and yet many of thefe wretches cleared £2000 per annum by their bufinefs. To remedy this evil, Lord Clive recommended, that the Company fhould be authorized to fend out an Attorney-general, with fome able lawyers, for the purpofe of new modelling and regulating the courts of juftice. With the affiftance of the Governor-general and Council, thefe lawyers might be directed to form their opinions on the courfe of juftice proper for our fettlements, and to point out the defects, as well as proper remedies, that the Legiflature might, with proper information, form the whole into a fyftem. He concludes, with obferving, "that the attempt "to introduce the Englifh laws, throughout our poffef-"fions, in India, would be abfurd and impracticable."

Inferences from this review of Lord Clive's plans,

On this interefting memoir, confidered, either, with reference to the time at which it was written, or to the events which have happened fince that period, the following obfervations rife naturaly to view;—

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respecting the revenues and trade,

1. The *home ſyſtem*, which Lord Clive propoſed, proceeded from his conviction, that a connexion muſt be formed between the Court of Directors, and the executive Government; as the former was not competent to the political meaſures which the ſafety of our new dominions required; and the latter was not qualified for the management of the commerce which was to render our acquiſitions ſo profitable to the Public. The revenues, he held, to be ſo interwoven with the credit and trade of the Company, that, even in their then ſituation, it would have been impracticable to have deprived them of the one, without deſtroying the other; the Company being the Proprietors, the Directors ought to be left in the management of their commercial tranſactions.

respecting the ſources of peculation, &c. in India,

2. The Governors, Members of Council, and principal ſervants ſhould have fixed allowances, and ought not to be indulged in perquiſites of any kind. It was from their having certain perquiſites, that all the peculations and frauds, in India, had ariſen; and it was from the independency of one of the Preſidencies of the other, that each purſued its own intereſts, and none regarded the intereſts of their employers. Hence the anarchy, in India, became general. His opinion, therefore, of rendering the other Preſidencies dependent on Bengal, may be conſidered as the ſource of the preſent ſyſtem of Indian adminiſtration.

reſpecting the reſources and alliances required for the Company,

3. The meaſure, which he recommended, of having a fund in the treaſuries of Bengal and Madras, equal to any exigency,

exigency, in India, diſcovers to us the ſituation of our ſettlements, at that period, and his notions of the alliances, which we ought to form, and of the enemy we ought to cruſh, almoſt ſeem prophetic of our preſent ſituation, and to be the rudiments of our preſent political ſyſtem.

4. THE plan of rendering the Company's ſhips a marine, equal to the repulſe of any ſudden attack, has in a great meaſure been ſince adopted, by employing ſhips of much larger ſize, carrying a ſufficient number of guns for defence. *reſpecting a naval force in India,*

5. THE plan of having a corps belonging to the Company, in England, was, certainly, at the time, the only practicable meaſure by which recruits could have been procured for that ſervice, and might have prevented the complaints, which have been frequently made of the deficiencies of our European corps. Events have ſhewn the neceſſity of keeping up a large European force, in India. It might be impoſſible, from circumſtances, to ſend reinforcements, at a proper time to ſo diſtant a poſſeſſion. It might be loſt before they could arrive. "The miniſter, (ſays Lord Clive) who "could ſee a force collecting upon the coaſt of France, and "yet delay preparations for war, till that country had de- "clared it, would be unequal to the truſt repoſed in him." *reſpectiag the military power in India,*

6. THE hints thrown out, on the neceſſary reformation which ought to be made in the courts of juſtice, in Bengal, diſcover to us, that, however ſimple the principle of natural juſtice may be, and however perfectly it may have been *reſpecting a judicial power in India.*

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been copied, in the laws of England; yet, it was impracticable, to introduce thoſe laws as the meaſures of right and wrong, in Hindooſtan. The laws of that country, as well as the courts of juſtice, proceeded from a government perfectly oppoſite, in its ſpirit, to that of England, and the application of them, had become familiar to the people, through cuſtoms not leſs diſſimilar to ours: time has ſhewn us, that we may improve on, but cannot alter, the Indian juriſprudence. Though the laws of Rome furniſhed a fine ſyſtem of written juriſprudence, to our anceſtors, they prefered their own common law to this model; and yet, the one had ſprung from the refined maxims of the Stoics, and the other, from the military eſtabliſhments of the Goths.

The defects in the home ſyſtem of Indian affairs, the ſource of corruption in the foreign adminiſtration of them; and this, in its turn, the ſource of numerous and oppoſite plans for new modelling and improving the whole.

SOON after the Company acquired the ſovereignty of the territories in India, their inability to puniſh their Servants for diſobedience of orders, otherwiſe than by diſmiſſing them the ſervice, and ordering them to be ſent to Europe, rendered their authority unequal to the prevention of abuſes. Under ſucceſſive adminiſtrations the power was ſo divided, by party ſpirit, and perſonal animoſities, that little obedience was paid to the orders of the Directors; nor was any benefit derived from the remedies propoſed. Scarcely had the ſupreme power been given to the preſidency of Bengal, and the ſupreme court of judicature been eſtabliſhed, when parties, in that ſettlement, took a decided form *. Whatever was

* Though the parties, in the other councils, were not eqnally violent with thoſe of Bengal during the early period of this new ſyſtem for India; they became ſo ſome years

was propofed by one, was oppofed by the other; we fhall fuppofe from the beft motives; but, it muft be allowed, with the worft effects. Thefe circumftances, however, have had one ufe; each party was fuggefting plans for the better government of India, and regulation of our trade to the Eaft-Indies; and all were fending them home as proofs of their zeal in the fervice, and of the local information which they had acquired. As yet, the knowledge of Indian affairs was not fufficiently diffufed to enable thofe who were entitled to judge of them, to pronounce, on what was the beft for the public intereft.

These plans digefted, by Mr. Lind, and the fubjects of them ftated under a fucceffion of queftions.

THESE propofitions have been collected and methodized, under the feveral queftions which were propofed to be examined. We fhall therefore ftate thefe queftions, in the order of the fubjects, rather than in that of chronology; fubjoin the remarks of Mr. Lind, who examined them;* and compare the whole with the events, which, fince that period, have afforded fuller information of Indian affairs.

1. Queftion, upon what political principles can the Indian provinces be held by Great Britain?

1. *On what political principles can Bengal, Bahar, and Oriffa be held by Great Britain?*

years afterwards, and thus haftened on the active interference of Parliament in introducing a controul of the ftate over Indian affairs.

* Mr. Lind, a counfellor at law, was employed to examine thefe plans and opinions, with directions to reduce them to order, and to ftate the refult of the whole.

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As the Committees of Parliament were, at this juncture, carrying on their enquiries to ascertain the value of the British territorial acquisitions in the East, and to discover the extent of the errors into which the different Governors and Councils had fallen; the attention, of all parties, was turned to the general point of fixing the *principles* upon which our eastern dominions could be rendered efficient parts of the empire. All the plans agreed in the following particulars: that the distinction between Nizamut and Duannee should be abolished; that there should be but one Supreme Government in the British possessions in India; that the sovereignty of the state, over the whole, should be declared; and Bengal, Bahar, and Orissa made British provinces. The difference in opinion chiefly arose on the mode of ascertaining the claims of the Company upon these provinces. In the discussion of this subject the most opposite opinions were given.

Opinion of Mr. Francis.

Mr. Francis thought, that the Company, by its constitution, was unfit for the exercise of the sovereign power in the East; but as it was questionable how far this power could be held in the name of the King, it would be better to keep it in the name of the Company.

Opinion of Mr. Chambers.

Mr. Chambers* thought, that the Company should hold their possessions of the King, but not of the Mogul; that, at the same time, their engagements with the Mogul should

* Now Sir William Chambers.

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be declared to be valid, in a proviſo of an Act of Parliament, and that a compenſation ſhould be made to the Mogul for the loſs of the revenue which the Company had ſtipulated to pay to him. If this plan could not be followed, he was of opinion, that the King might conſider the country as a conquered one, and that the Company had held it in conſequence of an agreement with his Majeſty and the Parliament. In this caſe, the treaty of the Company with the Mogul muſt be declared to be founded in error, and that the nation, as ſuch, was not engaged to fulfil this treaty, nor to pay a tribute for their poſſeſſions to a foreign prince. The whole of theſe principles he recommended to become the ſubject of parliamentary diſcuſſion; and, to facilitate their coming to a deciſion upon them, he thought that the Soubahdar would be contented with ſome honorary diſtinction, and with a penſion equal to what he received from the Company.

Objections to this laſt opinion by Mr. Francis.

To this propoſition *Mr. Francis* objected, that the natives conſidered the Mogul to be their lawful king that we had collected the revenues and coined the money in his name; that it was difficult to conceive how he could be diveſted of privileges, acknowledged, in the ſubſiſting treaties between him and the Company, unleſs ſome negociation ſhould be opened, by which he would agree to cede his rights to Great Britain; and the King and Parliament, in return, to form for him a reſpectable dominion. Theſe opinions he illuſtrates by obſerving, that though the rank of the Soubahdar had become titular; yet, as juſtice was admi-

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niſtered in his name, by the Naib-Soubahdar, the rank muſt ſtill be kept up; that the Company had guaranteed theſe rights to the late Soubahdar, his heirs and ſucceſſors, and had ſtipulated to pay him a penſion of 32 lacs of rupees, ſince that time reduced to 16 lacs; that many of the firſt families depended on the Soubahdar and his Naib for their penſions; that the Fouzdarry courts comprehended all the offices in which Muſſulmen could be employed. Notwithſtanding theſe remarks he, however, thought that the ſovereignty of the King, if declared, would entitle his Majeſty to aſſume the Soubahdarry.

Opinion of Sir Elijah Impey.

SIR ELIJAH IMPEY propoſed veſting all the territories in the King; but that the Act ſhould have a number of ſaving clauſes in favor of the Nizam, the Indian Princes, the foreign factories, &c. &c. which would have left the ſovereignty as complicated as it found it.

Remarks of Mr. Lind upon the whole of theſe opinions.

UPON theſe oppoſite opinions Mr. Lind makes the following obſervations: That as, by the conſtitution of Great Britain, the territories belonged to the crown, the preamble to the bill ſhould ſtate the claims of the Company, and of the native princes, on the conquered territories; that the bill ſhould declare the ſovereignty to be in the King, and ſpecify the ſituation of the natives, who are become our ſubjects, but not to be governed by the laws of England; that it ſhould veſt the Governor General with power to treat with the Mogul for his rights to the provinces, and grant penſions to the Soubahdar, &c. as compenſations for the

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the refcinded treaties between them and the Company; that the Company fhould furrender, by a deed in Chancery, their poffeffions, and former charters; that His Majefty fhould accept of them, and grant a new charter, conformable to the fpirit of the bill, vefting him with the fovereignty; that the privilege of the exclufive trade fhould be continued to the Company for fifty years; and that they fhould be furnifhed with fuch fums for their inveftments as might be neceffary, upon their giving their bills, payable in England, into the Exchequer, twelve months after fight. If this fyftem fhould be rejected, and the fovereignty ftill be exercifed, through the medium of the Company, then, that His Majefty fhould be empowered to grant them their poffeffions, for a certain time, and their exclufive trade, renewable only by Parliment; in return, that the Company fhould lend the Public two millions, without intereft; that an account of their receipts and difburfements, in England, fhould be annually laid before Parliament; and that out of their profits realized, a per centage on their capital ftock of £3,200,000 fhould be paid into the exchequer, at the difpofition of Parliament; the fame proportion on the faid fum to be paid to the Proprietors as a dividend; that the revenue fhould be divided, one moiety to be paid into the exchequer, another to be applied to the difcharge of their bond debts; after the reduction of which, a moiety fhould be lent to the Public, at a low intereft: and that accounts of the revenues and charges, civil and military, abroad, fhould be annually laid before Parliament.

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2. In whom is to be vested the Supreme Executive Power?

2d. Queſtion, in whom is to be veſted the executive power in India?

THE anſwers to this queſtion brought forward diſcuſſions on the conſtitution of Great Britain, and Mr. Lind places them in the following order:

Opinion of Mr. Chambers.

MR. CHAMBERS was of opinion, that, for the purpoſes both of war and of peace, it would be expedient to give the ſame powers to the Governor-general and Council, which are veſted in the King, when he acts by the conſent, and with the advice of his Privy Council; but that this power ought to be guarded, with certain proviſoes, viz. Such governors ſhould have none of the exemptions or immunities incident to the royal character; none of the rights which ariſe to His Majeſty, from his prerogative of ancient poſſeſſion; none of thoſe which are propoſed to be given to the Supreme Court of Judicature; no power of pardoning criminals, condemned according to the forms of the Engliſh law; no power of conferring any rank, known in Britain, except on their own officers; but a right to give the rank of *Rajah* to a Hindoo, and of *Nabob* to a Mahomedan. There were certain ancient executive rights of the Crown, which were aboliſhed, at the time the conſtitution of Great Britain was ſettled; and it might be expedient, to revive them in favour of the Governor-general and Council. Such were the powers of ſecuring ſuſpected perſons; the power of obliging them to quit our territories, unleſs they belonged to ſome European prince, or ſtate, to whoſe factories they ought to be ſent; the power

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to guard the limits between the Britiſh and the neighbouring provinces, and between one Britiſh province and another. He propoſed alſo, in certain caſes, to give to the Governor-general a negative voice on the acts of the Council; ſuch as, in determining on the means to be uſed in quelling a ſedition, or for repelling an invaſion. In general, that his powers ſhould be ſimilar to thoſe poſſeſſed by the Dutch governor at Batavia, with a reſponſibility for the manner in which he might exerciſe them.

Opinion of Sir John Clavering.

SIR JOHN CLAVERING, in his correſpondence of 1776 and 1777, adviſed, that the Governor-general ſhould have the power of entering a *noli proſequi*, and of ſuſpending capital puniſhments, till his Majeſty's pleaſure ſhould be known; that he ſhould have the power of proſecuting ſuſpected perſons in the Supreme Court of Judicature, provided that they were not natives; that he ſhould have the power of laying on an embargo, of impreſſing men, and ſhips, of forming a militia, and, above all, that whatever powers were conferred on him, they ſhould be diſtinctly defined and marked out.

Remarks of Mr. Lind upon theſe opinions.

ON theſe opinions, Mr. Lind has made the following remarks; that in viewing the hiſtory of the revenues of Bengal, &c. as far back as the reign of Acbar, in 1573, the rent-roll had amounted to 1,49,61,482 rupees; that from the accounts of the Company, Bengal had furniſhed one million two hundred thouſand pounds, annually for inveſtments, after defraying all civil and military charges; and that

CHAP. I. that the northern circars, and our poſſeſſions on the Coromandel coaſt, may be expected to furniſh half a million more; that while the importance of theſe poſſeſſions, may lead us, on the one hand, to adopt the ſtrongeſt meaſures, theſe meaſures, on the other, ought only to be ſuch as will accord with the cuſtoms and prejudices of the inhabitants; that the government of the Hindoos had been abſolute, while that of the Mahomedan conquerors had been ſtill more ſo, and yet, that both had preſerved the rights of the Zemindars and of the Ryots; that ſo far were the Ryots from conſidering this ſpecies of government to be an evil, that they looked up to it as the only one which could protect them againſt the oppreſſions of the Zemindars, and inferior Muſſulmen officers; that, therefore, any immature plan of reformation, foreign to the characters of the people, might have the tendency of depriving Great Britain of its new dominions. On theſe accounts, he recommended, that the executive power, to be given to the government of Bengal, ſhould approach nearly to that of the ancient Soubahdars, and ſhould not be defined by the Governor *and* Council, but by the Governor *in* council, and that he ſhould be ſtyled His Majeſty's Lieutenant Governor-general and Captain-general of all India, receive his inſtruction, under the ſign manual, or from the Lords of the Treaſury; and be aſſiſted by ſeven Counſellors to be appointed by the King. In the event of the death of a Governor, he propoſed, that the ſenior member of council ſhould preſide, till His Majeſty's pleaſure ſhould be known; that a ſecretary ſhould be appointed by His Majeſty; who, in the event of

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his mifbehaviour, might be fufpended, or removed by the Governor-general and Council. In the event of the death or refignation of the fecretary, that another might be named by them, till His Majefty's pleafure could be known. He thought the counfellors fhould be bound, by an oath, to attend to their duty diligently, not to divulge fecrets, nor the advice which they may give to the Governor-general; the fame oath, he thought, ought to be taken by the fecretary, who, in particular, was not to divulge fecrets, unlefs required fo to do by act of parliament.

Mr. Lind recommended, that the Governor-general fhould have the power of fummoning the Council; but not that of making war or peace, with any Indian Prince, nor of laying on an embargo, nor of doing any public act of Government, till he fhould firft have affembled the Council, and communicated the fubftance of it to them. That three of the members of Council fhould be prefent, on fuch an occafion, and fign the minutes of their proceedings, and that the copies and extracts fhould be authenticated by the fecretary; that all orders fhould be carried into execution in the name of the Governor, with the advice of the Council, and be figned by him; that if any difference of opinion fhould arife in the Council, each member fhould have the right of giving his fentiments, in writing, fhould fign it, and have it recorded; that copies of fuch opinions, authenticated by the fecretary, fhould be tranfmitted, with the refolutions, to which they referred, to the Lords of the Treafury and to the Court of Directors. If it fhould fo happen, that

CHAP. I. that the Governor-general ſhould propoſe any reſolution from which a majority, or the whole of the Council diſſented, then, that he ſhould require the reaſons of ſuch diſſent to be given in writing, and to be ſigned by the diſſentient members; that the Governor ſhould, then, diſmiſs the Council, but ſummon it to meet in twenty-four hours, taking care, if any member of the Council ſhall have been abſent, to ſummon him, and to furniſh him with a copy of the reſolution, which had been diſſented from; that when the Council re-aſſembled, the Governor ſhould order the reſolution to be then read, and call upon the youngeſt of the diſſenting members, again, to give his opinion. If he, and the other members called upon, according to their ſeniority, ſhould ſtill continue to diſſent, or if one of the members, together with the Governor, ſhould aſſent (ſuppoſing three members and the Governor to be preſent) or if two ſhould aſſent, ſuppoſing the number preſent to be four or five; or if three ſhould aſſent, ſuppoſing the number to be ſix or ſeven; then the reſolution ſhould be carried into immediate effect. If, however, it ſhould ſo happen, that the whole Council ſhould differ in opinion, from the Governor, after he ſhould have heard, and ordered the reaſons of the diſſent to be recorded, then, if he ſtill continued of the ſame opinion, he might ſtand up in his place, with his head covered, and laying his right hand on his breaſt, declare, that in his judgment and conſcience (or if a peer, upon his *honor*) it would be for the good of His Majeſty's ſervice, the ſafety of the ſtate, and the welfare of the King's dominions, that the reſolution propoſed, ſhould be carried into

into execution. The refolution ought, then, to be recorded by authority of the Governor, and become as valid and binding as if it had paffed with the advice and confent of the Council. Four copies of the refolution ought immediately to be made out, and figned by the Secretary, two of which fhould be fent to England, by different routes, over-land; another by an exprefs veffel, and the fourth, by the firft chartered fhip, to the Lords of the Treafury; and, along with each, copies of the reafons of diffent, as they had been given into Council, by the different members. CHAP. I.

Mr. Lind thought, that it fhould be enacted to be lawful for the Governor and Council, in His Majefty's name, to declare war, or to conclude treaties of peace, to enter into treaties of commerce and alliance with Indian Princes or ftates, to levy and difcipline troops, and to order them on fervice againft any of His Majefty's enemies.

He was of opinion, that the Governor General ought to be entitled to direct the Attorney General to enter a *noli profequi*, in cafes prejudicial to His Majefty's fervice, or to the intereft of the Company. The Governor, alfo, ought to have the power of fufpending capital punifhments, till His Majefty's pleafure fhould be known. He fhould be authorized to feize on, and fecure fufpected perfons; and, upon examination, after finding that his fufcipions were fupported by evidence, to oblige them to quit the Britifh territories. It would be expedient, alfo, that the Governor fhould have the power to ftop and examine all perfons who are not

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possessed of proper passports; it being understood that this power should not extend to officers who may have the King's commission, to the members of the Board of Trade, nor, in general, to the covenanted servants of the Company; unless, upon information, supported by credible witnesses, they should be accused of crimes, to be tried in the Supreme Court of Judicature. He thinks the Governor-general ought not to be liable to be proceeded against, by indictment, in any Court in Bengal: but if charged with treason or felony, and the charge supported by the oaths of two or more credible witnesses, that then he should be sent to England, to be tried in the Court of King's Bench. The more fully to guard against the mal-administration of the Governors, in the different presidencies, they ought to have ample salaries, and to be prohibited, under the severest penalties, from having any concern in trade, in loans, or in contracts.

3d Question. Under what restrictions is the power of subordinate legislation to be exercised?

3d. *By what Persons, and under what Restrictions is the Power of subordinate Legislation to be exercised?*

Opinion of Mr. Chambers.

Mr. Chambers was of opinion, that though no inconveniency had hitherto arisen in Bengal, &c. from the powers exercised by the Governors and Councils, of making bye-laws; yet that it might be expedient to form a General Assembly with legislative power. That this assembly ought to consist of three distinct parts, viz. the Governor-general, the Supreme Council, and the Supreme Court of Judicature;

Judicature; that it ſhould have the power of enacting laws for Natives and Europeans, and of enforcing obedience to them by capital or other penal ſanctions, provided ſuch laws ſhould not be contrary to the authority of the King and Parliament; nor contrary to any eſtabliſhed law in England. The conſent of each of theſe conſtituent parts ought to be obtained before any law can be deemed valid: it ought then to be tranſmitted to England, in the ſame manner as the ſubſiſting bye-laws had been, for His Majeſty's approbation or diſallowance.* He propoſed that the Governor ſhould be veſted with the power of convening, proroguing, or adjourning this aſſembly. In all matters of public concern, its members ought to deliberate together, but to give their votes as ſeparate bodies. Reſerving to the Judges the liberty of retiring to any other place, and deliberating apart. The act of the majority of any one branch to be conſidered as its voice; and no act of the legiſlation to paſs unleſs there ſhould be preſent, beſides the Governor-general, *three* members of Council, and *two* of the Judges. For the purpoſe of recording the proceedings of this aſſembly, there ſhould be a clerk, to be choſen and removeable by the aſſembly; and it would be expedient that this clerk ſhould alſo be ſecretary of the revenue branch. In caſe of any diviſion in the council, it would be proper that the Governor ſhould have a negative on their reſolutions; and if their votes were equal, the caſting vote.

* Agreeably to ſtatute 13 Geo. 3d. cap. 63. ſec. 37.

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Opinion of Mr. Haſtings.

Mr. Hastings embraced the ſame opinion; but propoſed, that the Aſſembly ſhould conſiſt of two branches only, viz. the Governor-general and Council, and the Supreme Court of Judicature; and that, jointly, they ſhould form a Supreme Court of Revenue, under the title of *Sudder Duannee Adaulet.*—That, in this capacity, the Aſſembly ought to meet weekly, without ſummons, or oftener, if buſineſs ſhould require it, upon the ſummons of the Governor.

Opinion of Sir Elijah Impey.

Sir Elijah Impey adopted and explained more fully this ſyſtem of Mr. Haſtings, and propoſed to give to the Aſſembly, ſo conſtituted, the powers of enacting laws, and of enforcing the obſervance of them by capital or other puniſhments; of regulating the police and taxes in Calcutta; of laying duties on export, import, and tranſit trade; of enacting rules for the practice of courts of juſtice; and of erecting new courts of juſtice, with ſuch authority as the ſituation of the different diſtricts might require.—That the exerciſe of theſe powers might not be abuſed, he thought no law ought to paſs unleſs three members of the council, and two of the judges were preſent. And that a majority of the voices of each, ſhould be requiſite to give their deciſions the force of law. That ſuch law ſhould not be in force till thirty days after it had been regiſtered, and Engliſh and Perſian copies of it been affixed in the Court-houſe of Calcutta, and in the inferior courts. That it ſhould not be competent to the Aſſembly to introduce any puniſhment for crimes committed by His Majeſty's European or Armenian ſubjects, that was unknown in England, nor to inſtitute any criminal proſecution againſt them, unleſs by a jury, in the Supreme Court,

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or in courts of *Quarter-Seſſion*, held by a juſtice of the peace. From theſe privileges, however, he wiſhed to except the claſs of Banditti, called Dekoits. That the Judges ſhould tranſmit the laws paſſed in this Aſſembly to the King and Council, and that the Governor-general, ſhould tranſmit copies of them to the Directors. After His Majeſty's approbation, or diſallowance of the law ſhould be returned to Calcutta, he propoſed, that it ſhould be publiſhed in the ſame manner as the law originally had been, and that every perſon might have the power of appealing from a law ſo paſſed within ſixty days after its publication in Bengal, and within the ſame number of days after its publication in England.

Mr. Lind's Obſervations on theſe opinions.

Mr. Lind makes the following obſervations upon theſe opinions. He thought that no inconveniency had ariſen in Bengal, &c. from the Governors and Councils, &c. not having legiſlative powers; and that parliament was not called upon to enact laws for a new colony, but only to grant more extenſive regulations for a people, who had long had a conſtitution of their own; that the Britiſh ſubjects in Hindooſtan having been habituated to law courts, correſponding to thoſe in England, they would have no confidence in any legiſlation, but that which was known in the mother country. That laws eſtabliſhed by this new body might be inconſiſtent with the manners, cuſtoms, and intereſts of the natives. That, by theſe propoſitions, many of the ſame laws might be applied to His Majeſty's European, Armenian, and Native ſubjects. Of the two firſt of theſe claſſes numbers reſided within the Ditch at Calcutta, and very few without it; and of

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of the laſt claſs, many were far removed from the ſeat of government, and could not be made to comprehend the meaning of the laws to which they were to be ſubjected. He thought it a ſpecies of abſurdity, that men, who were ſtrangers to a people, ſhould be veſted with the power of making alterations in their laws, particularly in the criminal branch of them, and more ſo in the ſanctions by which theſe laws were enforced. He conceived that, in this opinion, he was ſupported by the diſtinction which Sir Elijah Impey propoſed, between the puniſhments applicable to His Majeſty's European or Armenian ſubjects, and to the Natives *; and, upon the whole, that the objects of this legiſlation ought to be few and ſimple, and ſuch as might ſafely be entruſted to the Governor and Council, who ſhould be inveſted with power to make and iſſue rules and regulations for the good order and civil government of the provinces, and collection of the revenues; leaving the laws of England, as the rule for His Majeſty's ſubjects, and the laws of the country for the natives. He ſaw no impropriety in giving the Governor-general and Council, the power of making aſſeſſments, and levying taxes within the town of Calcutta, to ſuch an amount as might be neceſſary for the maintenance of the police; nor did he think it inexpedient that they ſhould have the power of proportioning the duties on import, export,

* In a note, Mr. Lind ſupports his opinion by the caſe of Nundcomar, about which there has been ſo much controverſy; and by a caſe mentioned by Mr. Francis, where an Indian having caught his wife in adultery, puniſhed her, agreeably to the cuſtoms of the country, by cutting off her noſe, and yet was tried for this deed by the laws of England, and hanged.

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and tranſit trade; but that the rules in this caſe, ought to be deliberately eſtabliſhed, by being read at *three* different meetings, and then ſigned, and approved of by the Governor. He concludes, that the judges ought to have no voice in the Legiſlative Council, in which they ſhould be called upon, to give advice only, and be aſſiſted by the Roy-Royan, ſuperintendant of the Khalſah, Chief Canongoe, Chief Pundit, and Chief Moulavie. Whatever regulations might be enacted, he agreed, that they ought to be firſt publiſhed, a certain time, before they were in force; and next tranſmitted to England for His Majeſty's approbation or diſallowance.

4. Queſtion, under what title, and in what manner ought the territorial revenues to be collected?

4. *Under what title, and in what manner ought the territorial revenues to be collected?*

Hiſtorical facts upon which Mr. Francis and General Clavering formed their opinions?

Mr. Francis and General Clavering agreed, in conſidering the anſwer to this queſtion, as involving in it all the circumſtances upon which the preſervation of our Indian poſſeſſions depended. Mr. Francis thought that the Company had been in an error, both in conſidering the Mogul, to be the proprietor of the ſoil, and in making this principle, the foundation of exactions, which, though calculated for the exigencies of the moment, muſt ultimately produce the ruin of the country. From the records of the Khalſa, from other authentic documents, and from the information of the oldeſt ſervants of the Company, the progreſs of the revenue had been as follows: In 1573, Acbar conquered the Bengal provinces and Rajah Toorel Mull formed

CHAP. I. formed the jummabundy, or rent-roll, for the empire. He let the lands to the Zemindars, on a moderate quit-rent. The *jumma*, for Bengal, including the Circars of Oriſſa, was 1,49,61,482—15. 2. rupees. This ſum differs little from the rent raiſed by Sujah Chan, in 1728, but is a crore leſs than the lands were aſſeſſed at in 1775. The record of this jumma was called *turmar*; *turmar-jumma* then meant the rent-roll, and was alſo called *auſil* or the original *jumma*. On this, a *tuckſeem*, or diviſion account of the ſoubah was formed, ſhewing the proportion which each zemindary, pergunnah, village, &c. was to bear. The hereditary office of Canongoe was then eſtabliſhed. This officer was to keep the accounts of the turmar and tuckſeem. In all transfers the turmar-jumma regulated the new grant. The jaghires of the Munſubdars were portions of this jumma, and the fees of the Canongoes are ſtill calculated upon it. The limits of property again were divided, by reference to the tuckſeem, and the mode of collection was ſimple. The Zemindar paid the rent at the treaſury; if he did not, a temporary attachment of the lands took place. It is not known, whether the Zemindars were required by Government to give pottahs, or leaſes, to the Ryots; but it is certain, that the *auſil*, or *ground-rent*, was the firſt thing ſpecified in ſettling the proportion of the tuckſeem, to be paid by a particular tenant, and that upon it, alſo, all other taxes, whether permanent (Aboab) or occaſional (Muthote) were proportioned; and that the Ryot could not be diſpoſſeſſed, ſo long as he paid his quit-rent. Such were the rules, till the termination of the power of Sujah Chan, in 1739 or 1740. Though the Soubahdar frequently extorted ſums from the Zemindar,

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by way of a free gift, the jumma was invariable. In the time of Aliverdi, who cut off the ſon of Sujah, the Zemindars were ſo rich that they aſſiſted him, during his wars with the Marhattas, with a crore and a half of rupees. He and his ſucceſſor Surajah Dowlah were the firſt who added the aboab or occaſional taxes to the jumma, and by that encreaſed the ground rents; and hence all temporary taxes of this nature began to be made permanent. The jumma under Sujah Chan was 1,01,38,006 rupees; under Surajah Dowlah 1,38,12,443 rupees; under Coſim Ally 1,86,59,720 rupees. The nett rent propoſed in 1776-7 was 1,77,73,775 rupees. The ſum actually collected was 1,36,88,614 rupees. When the Duannee was ceded to the Company, the ancient eſtabliſhments had been overthrown by Coſſim Ally, the Zemindars diſpoſſeſſed of their rights, and reduced to beggary, and wealthy families brought to ruin. The amount, however, demanded for revenue and for inveſtments was daily made greater, and men of low rank and deſperate fortunes employed as aumils to collect it. After the crop of the Ryot was on the ground, a new muthote was laid on, and the improved made to pay for the deficiency of the unimproved land. Thoſe emoluments which many of the natives had drawn from offices, in their diſtricts, were ſeized on, and fines impoſed upon them, which went into the general fund. The decline of reſources, neceſſarily reſulting from ſuch oppreſſions, were pointed out both by Mahomed Reza Chan, and by the moſt intelligent of the Company's ſervants. Superviſors were, therefore, appointed to make accurate ſtatements of the profits of the Zemindar,

CHAP. I. Farmer, &c. all was ſwept into the treaſury; and the ſupervisors, inſtead of being a relief, laid the foundation of new oppreſſions from having proceeded upon a valuation of the whole rents, including the profits of the Zemindar, Farmer, &c. Nor was this evil (ſays Mr. Francis) remedied by the committee of circuit, appointed to ſucceed the ſupervisors; for by letting the revenue to adventurers, they encreaſed the nominal rent, but the encreaſe was only nominal, for a balance remained due from 1772 to 1776 amounting to at leaſt a crore of rupees. From theſe obſervations, he concluded, that the Company had levied higher rents than the country could pay; and that, from the leaſes being uncertain, and taxes encreaſed, as land was cultivated, all incitement to induſtry or improvement had been taken away; the Zemindar rendered deſperate; and the leaſes of the Ryots, from this confuſion, had become unintelligible.

Remedies propoſed by them.

To remedy theſe evils, Mr. Francis propoſed that the *jumma*, or rent-roll, ſhould be fixed, recorded as unalterable, and publiſhed to the people. That the whole demands upon the country, including Ghazipore, ſhould be founded upon an eſtimate of the civil and military expenſes, the amount of inveſtments and of contingencies *. That

* Mr. Lind, in a note, refers to two eſtimates where an unappropriated balance would remain of 37,99,043.15 rupees, for unforeſeen events; but General Clavering thought that many of the articles for ſervice were calculated upon too narrow a ſcale, and therefore he was againſt the remiſſion of 10 per cent. on the collection. Mr. Lind obſerves, that the eſtimate of charges for the civil eſtabliſhment was too high.

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every poſſible relief ſhould be given to the renters of the Duannee lands, both on account of the diſtance of them from the capital, and of the poverty of the inhabitants. With the view of illuſtrating theſe propoſitions, Mr. Francis thinks, that the medium receipts, of the laſt three years, ought to be taken as the rule for aſſeſſment, and that all temporary contributions ought to be aboliſhed. That the *tuckſeemy* ought to be formed, and a copy of it given to the cutcherry of each diſtrict. That regularity of payment ſhould be made the tenure upon which the Zemindar was to hold his leaſe. If this tenure ſhould not be fulfilled, then that a part of the zemindarry ſhould be ſold for payment of the rent, and the balance paid back to the proprietor. That in all ſuch ſales, a preference ought to be given to the next heir of the Zemindar, but if ſuch heir did not appear, or claim, then that a temporary duan, or ſteward, ſhould be appointed; but, at the ſame time, be declared to be incapable of becoming the purchaſer. That the law reſpecting the inheritance of zemindarries ought to be altered, in ſo far, that when a zemindarry was more in value than two lacs, Government might divide it among all the ſons of the late proprietor; when leſs, veſt it in the eldeſt; but, in this laſt caſe, oblige him to grant allowances for the maintenance of the younger ſons.

Opinion of Mr. Haſtings.

Mr. Hastings agreed with Mr. Francis in theſe laſt propoſitions, but General *Clavering* thought, that the adoption of them would be a dangerous experiment, and at all events, a fruitleſs one, becauſe it would be in oppoſition to the

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ancient cuftoms of adopting fons, from which the Zemindar never would, willingly, recede. To obviate this objection, Mr. Francis thought, that a court of wards might be inftituted; but this General Clavering confidered to be an expedient not lefs hazardous than the preceding one. Mr. Francis was for ftopping the fums allowed by Zemindars, upon the reftoration of their rights, and that an enquiry fhould be inftituted into the foundation of the whole of their rights, and a term of prefcription fixed on, after which, all lands held as charity lands might be refumed. Sir John Clavering confidered the refumption of charity lands, to be a fubject of great delicacy.

Obfervations of Mr. Francis on it.

WITH refpect to the Ryots, *Mr. Francis* thought, that Government fhould prefcribe a form for the *pottahs*, or leafes, which the Zemindar gave to his tenant, and that in it, he fhould be obliged to grant fo much for every cultivated beegah, varying the fum according to the value of the foil or fituation, without any reference to the aboab. That the fuperior of the diftrict ought to fee this pottah properly authenticated, by affixing to it, firft his own fignature, then by having it recorded by the Canongoe, or the officers of the Cutcherry, and that the Ryot ought to have a figned account of his jummabundy, for every year's rent, with a releafe annexed on compleating his payments.

Obfervations of Mr. Lind on the whole.

Mr. Lind obferves, upon the whole of thefe propofitions and opinions, that, in theory, they may be unexceptionable, but that, in practice, they are not poffible. He therefore advifes

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advises, either that the Zemindars and Ryots should be restored by act of parliament; or that an act should pass empowering the Governor-general and Council to restore them. If neither of these propositions should be adopted, he recommends, that His Majesty should give it in instruction to the Company to adopt this last salutary measure.

5. Question. How are the other revenues to be collected?

5. *How are the other Revenues to be collected?*

Opinion of Mr. Hastings.

THE most valuable part of the revenue comprehended in this indefinite description, was that which arose from the salt works. Upon this subject *Mr. Hastings* was of opinion, that till such time as a settlement of the lands could be made, no practicable plan could be formed for rendering the revenue from the salt works productive. The state of this monopoly, in 1781, he says, was as follows: The Company, under the pressure of heavy demands, directed their servants to take the salt works out of the hands of private persons, and to resume them for the benefit of the Company; expecting, from this measure, to draw a revenue of £.120,000 per annum. The contracts, in consequence, were put up at auction; and the produce, during the two first years, amounted to 32,54,706 rupees. The reduction of the revenue, in subsequent years, he says, was owing to the external cause of the importation of coast salt; and to the internal one, of want of experience in managing this branch of the revenue. He therefore proposes several ways by which the salt might be converted to the profit of Government.—1. By authorizing a free sale of salt, subject only to a duty.—2. By entrusting to

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to the Zemindars the property of the cotteries, lying within their zemindarries, and take the payments in ſalt.—3. To receive the payments, duties included, on the ſame plan, in money.—4. To let the ſalt mahals by diſtinct contract, independent of the Zemindars, and to take the payment in ſalt.—5. To take the payments, upon the ſame plan, in money. He preferred the 3d of theſe methods, both becauſe it would ſecure a greater amount to Government, and becauſe it would remove many difficulties in managing buſineſs.*

Objection to it by Sir John Clavering.

SIR JOHN CLAVERING reprobated the putting the lands and the contracts for ſalt into different hands, and ſaid that the importation of foreign ſalt aroſe from the monopoly in 1767; tracing, by evidence, that the importation had been greater or leſs, in proportion as the monopoly had been granted or prohibited. He propoſed, therefore, to reſtore the lands and ſalt farms to the Zemindars, and to put an additional rent on the lands for the ſalt works, leaving to the Zemindar, without any interference of the officers of cuſtoms, to manufacture as much ſalt as he pleaſed, and to ſell it where he could; concluding, that this would produce more than £.100,000 per annum of revenue; reduce the price of ſalt to the inhabitants; and prevent the exportation of coin, and the importation of coaſt ſalt. Mr.

* Mr. Lind, in a note, refers to a paper entitled, "An Abſtract of the Prime Coſt of Salt for the Years 1772, 1773, and 1774.." In the firſt of theſe years (according to this paper) the profit was 18,51,952. 14 rupees; in the next, 14,02,753. 2. 6 rupees; but the ſtatement for the laſt two of theſe years being made, partly, by eſtimate could not be depended upon.

Francis, who had formerly preferred the firſt ſcheme of Mr. Haſtings, afterwards agreed in this opinion of General Clavering.

State of monopolies in the Bengal provinces.

The three great monopolies, at this juncture, were that of ſalt, that of opium, and that of ſaltpetre: we have already given the opinions upon the firſt of theſe. Mr. Francis was for aboliſhing the ſecond, and ſubjecting opium to a duty of thirty ſicca rupees per maund; and he was for aboliſhing the laſt, as the only means of lowering the price. In general, he gives it as his opinion, that if there is one great monopoliſt, then a number of individuals muſt be precluded from employing their little capitals; and if this monopoliſt ſhall be under the authority of Government, in caſe of a diſpute, there is no impartial tribunal to which to apply for juſtice. He therefore concludes, that if the Company are to be merchants, all their inveſtments ought to proceed from contracts, till ſuch time as improvements in the manufactures will admit of ready money purchaſers. Sir John Clavering agreed with Mr. Francis in his general ideas againſt monopolies, but held thoſe of opium and of ſaltpetre to be exceptions; and that the quantities of theſe articles required for the inveſtments muſt be purchaſed, at the Preſidency, by the Company.

Mr. Lind's remarks on this ſubject.

Mr. Lind concludes, on the whole of theſe opinions, that from every part of the evidence, the ſalt works ought to be let together with the lands, and leaſes to be granted to the Zemindars. That the inveſtments ought to be provided

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vided for by contracts, as ſoon as the ſtate of the manufactures will admit of it; and that it would be of eſſential ſervice to the Company if they made their purchaſes with ready money.

6th Queſtion. By what courts ought the judicial power to be adminiſtered in the Britiſh provinces in India?

6. *How, and by what Courts ſhould Juſtice be adminiſtered in the Britiſh Provinces in India?*

Opinions of Mr. Haſtings and Mr. Barwell.

MR. HASTINGS and MR. BARWELL propoſed, as an anſwer, that the juriſdiction of the Supreme Court ſhould be extended over all the provinces without limitation. That the ancient courts of Nizamut and Duannee ſhould be continued; but that a controul over them ſhould be veſted in the Supreme Council and the Judges; and that the Provincial Councils ſhould be veſted with judicial authority, in the internal diſtricts, as well as become courts of revenue. It was upon this plan that Sir Elijah Impey drew up the heads of a bill.

Opinions of Mr. Francis and General Clavering.

MR. FRANCIS and GENERAL CLAVERING blend their views of the judicial power with their general ſyſtem for government; the form which they propoſed approached to the ancient Aſiatic. In it, the Muſſulmen chiefly were to be inveſted with offices of truſt, while the cultivation of the ſoil was to be left with the Hindoos, whoſe property it had been. They propoſed to ſettle the duties at fixed rates; and thought that the Company, like other merchants, ſhould be obliged to go to market, to purchaſe their inveſtments, and that the natives ſhould be left with their cuſtoms, laws,

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and religions: concluding that in this way the Moguls governed *their* conquered Hindooſtan. CHAP. I.

Mr. Haſtings's ſyſtem of civil juriſdiction founded on his plan of government of 1772.

Mr. Hastings taking, as the ground of his reaſoning, a plan of government which he had propoſed in council, in 1772, recommended the eſtabliſhment of the following courts of juſtice. The firſt court was to be the *Sudder Duannee Adaulet*, which ſhould conſiſt of the Governor-general, the Chief Juſtice and other Judges, the Roy Royan, and the chief officers of the Khalſa: three of theſe were to compoſe a court, one of whom muſt be a member of Council, and one a member of the Supreme Court of Judicature. Though this court was to be a court of appeal, it was, at the ſame time, to have the power of receiving new exhibits, and of examining new witneſſes. It was to decide on perſonal property, above the value of a thouſand rupees, and on all caſes of malguzary lands, or lands paying a rent to Government, and was to ſit once a week. Mr. Chambers objected to the name of this court, as implying that the diſtinction between Nizamut and Duannee had not been aboliſhed.

Mr. Hastings, ſecondly, propoſed to eſtabliſh *provincial Courts*, to conſiſt of the provincial Councils, at their uſual meetings, aſſiſted by the provincial Duans, Canongoes, Moulavies, and Pundits. Theſe courts were to hear and determine on the complaints of the inhabitants, or remit them to the inferior courts, from which this was to be conſidered as a Court of Appeal. Theſe provincial

CHAP. I. courts were to keep regular records, extracts from which, were to be held as evidence, when the case was brought by appeal to the *Sudder Duannee Adaulet*. Mr. Chambers, to produce these ends, proposed to divide Bengal, Bahar and Orissa into eight zillas; of which Bahar was to be divided into south and north. He thought the jurisdiction of these courts should be confined entirely to revenue cases.

Mr. Hastings, thirdly, proposed a court of *Adaulet Duannee Zillajaut*, to be superintended by one of the members of the Provincial Council, in rotation, assisted by the Provincial Duan, Canongoe, and one Moulavie, and one Pundit, to be named by the Governor General and Council. In this court the complaints of the inhabitants were to be heard, in the first instance, and appeals from it might be carried to the Provincial Council. It was to sit three times a week, in the principal town of each division, and copies of its proceedings, with abstracts, were to be sent before the 5th day of every month, to the Provincial Council, to be by them forwarded for record in the Supreme Court. Sir Elijah Impey proposed that the Judge of this court should be a senior servant of the Company, and be continued in his office *quamdiu se bene gesserit*. In opposition to this opinion Mr. Chambers did not think it necessary that the Judge should be one of the servants of the Company.

The fourth court, proposed by Mr. Hastings, was that of *Adaulet Duannee Mofussel*, or subordinate Country Revenue Court, to sit in districts where no Court of Adaulet Duannee Zillajaut

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Zillajaut was ufually held. This inferior court was to confift of the Naib, the Canongoe, one Moulavie, and one Pundit, to be chofen by the Governor-general and Council, and to be held four times a week, or oftener, in the principal Cutcherry of each diftrict. From the decifions of this court appeals might be made to the Provincial Courts.

WITH the object of removing the difficulties which might arife in eftablifhing thefe courts, Mr. Haftings propofed that all the forms and rules obferved by the late government fhould be held to be legal. That the Roy Royan and Superintendant of the Khalfa records, fhould, when required by the Governor-general and Council, or by the Supreme Court of Judicature, or by an individual, have the power of iffuing warrants, and of fummoning witneffes, but not that of inflicting punifhments, or of detaining parties or witneffes longer than 48 hours, or no longer than fhould be neceffary for their examination. He thought, alfo, that they fhould have the power of apprehending any farmer, or fub-farmer, againft whom complaints had been entered in the Provincial Council, and of fending him before it. In his exercife of this power, however, the Judge ought to be poffeffed of the letter of the Provincial Council, fpecifying the caufe for which the warrant was required, and that the letter ought to be recorded. To guard againft every fpecies of oppreffion, the party ought to have a right of complaint to the Supreme Court, againft the Provincial Council. On this laft article, Mr. Chambers preferred the mode of indictment to that of action; but Mr. Haftings propofed giving

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to the Supreme Court, not only the power of ſending down caſes to the inferior courts, but of evoking any cauſe which ſhall be pending before ſuch court.

The ſyſtem of Criminal Juriſdiction on the ſame baſis.

THE Criminal Juriſdiction, Mr. Haſtings propoſed to lodge in two courts; the *Nizamut Sudder Adaulet*, and the *Foujdary Adaulet*: both to be formed upon the baſis of that ſyſtem of government which he had ſuggeſted in Council, in 1772. To the Darogah of the Nizamut Sudder Adaulet, under the title of Naib Nazim, he propoſed to give the power of confirming or mitigating the puniſhments decreed in the Futwah, or ſentence of the Nizamut, and of iſſuing warrants for execution; but theſe to be ſubject to the reviſion and confirmation of the Governor-General and Council. He was of opinion, that the Foujdary Adaulet ſhould have more extenſive powers than it was anciently veſted with, particularly, that the Judges of it ſhould not be liable to any action or puniſhment, for what they might have done, in the regular diſcharge of their duty, and ſhould only be made accountable to the Nizamut Adaulet, which was to be under the controul of the Governor-general and Chief Juſtice; upon this laſt point, Sir Elijah Impey was of opinion, that the power of the Darogah ſhould be transferred to the Governor-general and Chief Juſtice, with a proviſo, that they were not to encreaſe any puniſhment to capital, unleſs the offence ſhould be felony in England without benefit of clergy. Mr. Chambers was for prohibiting capital puniſhments, unleſs for ſuch crimes as the general Aſſembly ſhould adjudge to be worthy of death.

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Of Police for Calcutta.

In addition to these Courts of Justice, Mr. Hastings brought forward a plan for the police of Calcutta, in which he proposed to divide the city into eight districts, each to be under a Cutwall to be nominated by the Governor-general and Council, from among the sect which formed the majority of the inhabitants in each division. These Cutwalls were to be subject to a Superintendant of Police. They were to have the power of imprisoning for twenty-four hours, and of ordering a punishment to the extent of twenty lashes with a rattan. They were every day to make their reports to the Superintendant, who might encrease the number of lashes to fifty. Sir Elijah Impey was of opinion, that the same plan ought to be extended to the other towns within the British provinces.

With the view of rendering the whole of this judicial system efficient, *Mr. Hastings* thought, that there should be an Advocate of the Company, for the management of suits, in which they were, directly or indirectly, parties; and an Advocate for the Crown, who, upon information, should prosecute offenders in all cases in which His Majesty's interests were concerned.

Improvements on both proposed by Sir Elijah Impey.

Such are the outlines of the plan, on which Sir Elijah Impey drew up a bill, though he introduced into it some alterations, viz. he proposed to extend the jurisdiction of the Supreme Court over all the countries that were, or might become subject to the Company: and to vest it with Admiralty Jurisdiction, giving to it the power of trying accessaries,

CHAP. I. accessaries, when the principal was not within the Company's territories. He thought it should possess the power of granting probates, and letters of administration to the heirs of persons leaving effects within its jurisdiction. To diminish the expense of law suits, no depositions should be reduced to writing, unless in cases which might be brought by appeal to the King in Council. When cases were referred to arbitration, the decisions of the Arbitrators might be made Rules of Court, and punishments inflicted on them when they acted in a corrupt manner. He proposed empowering this court to decide in all suits, of a civil nature, between the Company and His Majesty's subjects, European and Armenian, or between these subjects and those of other nations, within the British provinces, either when the case exceeded the sum of five thousand current rupees, or when the Justices should certify, that it was requisite for the case to be tried in that court. In general, he thought, that the Supreme Court ought to have a controul over all other courts, in the same manner as the Court of King's Bench has in England, except over the Sudder Duannee Adaulet, of which the Judges were themselves members. He proposed, that all Judges of the inferior courts should be amenable to the Supreme Court; and that Sheriffs ought to be appointed, with power to issue writs, to be executed in the distant provinces. That the Provincial Councils should be empowered to take and justify bail, and that the Supreme Court should have the right of appointing Commissioners to state interrogatories, as is done in the Court of Chancery, in England; and that the result ought to be held as legal evidence.

To

His attempt to reconcile these systems to each other.

To conciliate this system, with the usages of the natives, Sir Elijah Impey proposed, that Pundits, Moulavies, Canongoes, &c. the Roy Royan, and superintendant of the Khalsa records, should attend the court of Sudder Duannee Adaulet, be considered as officers of it; and that a copy of the Hindoo laws, and the decisions of the Pundits upon them, should be deposited in the Supreme Court, and held as authority in all questions in which the natives of this class were parties. He was of opinion, that the clerk of this court should have powers similar to those exercised by the clerks of the Court of King's Bench. That he should be entitled to sue for fines and forfeitures, which were to be at the disposal of His Majesty; but that part of these fines, till disposed of, might be employed in supporting such suits of the natives as came before the court, *in forma pauperis*. The sums so arising, to be placed out at interest, and the clerk of the court to receive and be answerable for such interest, 'till the 1st day of every January, when it should be lodged in the hands of the Governor and Council, for the public service. Sir Elijah Impey was farther of opinion, that the Supreme Court should be vested with power to try cases of treason, and that it, as also the inferior courts, should be entitled to appoint their respective serjeants and officers. To prevent all undue influence, in criminal cases, the members of the Foujdary courts should be prohibited from having any communication with the parties, except in court, and from receiving any presents or gratuities of them.

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To facilitate the recovery of ſmall debts, he propoſed giving to the head farmer of every pergunnah, the ſame kind of juriſdiction, which Courts of Conſcience have in London; but, in Calcutta, to veſt that power in the Court of Requeſts; he thought it might be expedient to appoint a Coroner for Calcutta, and that he, and in general all the officers of juſtice, ſhould be obliged to take the oaths of allegiance and of office. As the Company came to the poſſeſſion of their territories in Auguſt, 1765, that period might be fixed upon, as the epocha, from which preſcription ſhould be reckoned. To protect the Ryot from oppreſſion, it ſhould be ſtrictly enjoined, that no demand ſhould be made upon him, beyond the amount of his pottah or leaſe; nor ſhould any taxes be impoſed which had been aboliſhed by the Company. Farther, to prevent oppreſſion, he recommended taking away all private authority from the creditor of impriſoning his debtor; and to prevent uſury, intereſt ſhould not, in any caſe, be allowed to exceed 12 per cent. As great injuſtice had ariſen from Europeans flying from the Company's dominions it ought to be declared, that no European, who had reſided in the Britiſh provinces, ſhould be permitted to enter into the ſervice of any Indian Prince, without firſt receiving a licence from the Governor-general. And on the whole, that this act ſhould be publiſhed in the Supreme Court, at a meeting ſpecially held for that purpoſe, and in one month after ſuch publication, all courts, except thoſe appointed under this act, ſhould ceaſe and determine; and that ſuch caſes, as might be pending in theſe courts, ſhould be transferrable to thoſe which were to

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be fubftituted in their place. If the Governor-general, with the powers given him by this act, fhould refufe to appoint fheriffs, &c. the appointments might take place by a *Mandamus* from the Supreme Court.

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Oppofite fyftems of Sir John Clavering, Mr. Francis, and Colonel Monfon.

Sir John Clavering, Mr. Francis, and Colonel Monson propofed very different views both of government and of jurifdiction, from thofe recommended by Mr. Haftings and Sir Elijah Impey. They confidered the eftablifhment of provincial councils to be a meafure fundamentally wrong; that there ought to be but one deliberative council, and that all powers delegated by it, fhould be declared to be purely official. Mr. Francis, in particular, held it to be abfurd, that any government fhould have in the fame branch of it both executive and deliberative powers; fince in the exercife of them, it could not plan with wifdom, nor difpatch with celerity; he therefore prefered giving the functions of the council, as a Board of Revenue, to fupervifors acting under a commiffion, and with a falary. He thought, however, that the power of the fupervifors fhould be only temporary, and that, at all events, it fhould continue no longer, than till the Zemindars could be re-eftablifhed, the Ryots receive their pottahs, and the rents be in the courfe of regular payment to the Khalfa; that the power of thefe fupervifors might be efficient, he propofed, vefting them with a particular fuperintendence over the Duannee Adaulet Zillajaut; that they fhould be attended by the foujdary officers, and by men learned in the laws of Hindooftan. In particular, that they fhould have the power

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CHAP. I. of checking monopolies, and of removing vexatious impediments to trade: The eſtabliſhments of the Company's ſervants would, by theſe means, be diminiſhed, and their receipts and payments brought into the ſimple forms of buſineſs. Before diſmiſſing the provincial councils, he recommended, that they ſhould be required to give, 1. An exact regiſter of the landed property. 2. A table, ſpecifying the three laſt years receipts. 3. A character of each Zemindar and the ſituation of his family. It was by the foujdary juriſdiction that in the ancient conſtitution, the Zemindar became bound for the peace of his diſtrict, and to make good the damages done by offenders in it. To this duty the Zemindar was compelled by the foujdary, and the taxes levied from his exerciſe of it, formed an article of revenue, termed *Aboab Foujdary*. The Zemindar ought to be not merely the collector of the revenue, but a ſubordinate inſtrument of civil adminiſtration. On his reſtitution, therefore, he ought to be required to keep up the ancient uſages, ſuch as the reparation of roads and of bridges, the inſpection of plantations, &c. It was, upon the whole, his, and the deliberate opinion of the gentlemen who acted with him, that Bengal, &c. could not be held by Great Britain, if its inhabitants ſhould be ſubjected to the Britiſh laws only; a concluſion which he ſupports by a reference to Mr. Verelſt's obſervations. It was in vain to think of rendering the Duannee Courts, till the Zemindars ſhould be reſtored, adequate to the purpoſes for which they were inſtituted. In their then ſtate, the moſt powerful of the parties in a revenue cauſe, was in effect in the Judge, nor could the

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ſyſtem which he himſelf recommended, be made efficient in the hands of an Engliſhman, unleſs he was aſſiſted by perſons inſtructed in the laws of the Hindoos, and of the Mahomedans; had a ſalary that made him independent; took the oath of office; was made removeable *ad culpam*, and made reſponſible to the Governor and Council. Juſtice, in this way, might be accommodated to the manners of the people, and to their ancient inſtitutions; but the delays and expenſes of the Engliſh law would ill ſuit the ſimple manners of the natives; and, at all events, theſe laſt ſhould never be left to the mercy of attornies and lawyers.

Opinion of Mr. Lind on the whole of theſe ſyſtems of juriſdiction and of government.

Mr. Lind obſerves, in general, upon theſe different opinions, that it is an admitted point, by all parties, and by all writers, that the laws and uſages of Hindooſtan ought to be continued in force, and that the Supreme Court of Judicature would require aids from them, in the adminiſtration of juſtice. If this be the fact, in ſo far as regards the Supreme Court, where ſuits muſt terminate; it certainly cannot be leſs ſo in the Subordinate Courts, in which the natives are almoſt in every caſe the parties. The ancient uſages may have been perverted, amid the revolutions, which Hindooſtan has experienced; but it certainly is more practicable to reform theſe laws, than to introduce a ſyſtem, foreign to the manners of the people. In criminal caſes, the uſages of the Engliſh law, in particular, in taking a perſon into cuſtody, would deprive a Hindoo of the privileges of his caſt, and diſgrace him for ever; and it certainly would

MAHARAJA SERFOJI'S SARASWATHI MAHAL

CHAP. I. be the higheſt cruelty to expoſe the natives to the expenſes of Engliſh law-ſuits, when they could not benefit by the iſſue. We may offer them the benefit of our laws (ſays he) but we ought not to force them to accept of it.

From the whole, he draws the following chain of inferences; that the juriſdiction of the Supreme Court ought to be limited, in criminal caſes, to the Europeans, or Armenian ſubjects of the King, and to their deſcendants; that, in civil caſes, this juriſdiction ſhould be limited to parties of the ſame deſcription, or to caſes where the parties, in the contract, have ſtipulated an appeal to the Supreme Court of Judicature; that an appeal might be made from the Mayor's Court to the Supreme Court; that the Supreme Court ought to have admiralty juriſdiction; that it ought to have the power of trying acceſſaries, of granting probates, letters of adminiſtration, &c. of preventing the reducing depoſitions to writing, unleſs the caſe ſhall admit of an appeal to the King in Council, and of rendering all ſubmiſſions to arbitration, a rule of court; that the King's advocate, or attorney, ought to have the power of bringing inferior officers of juſtice before the Supreme Court; and individuals, the power of preferring indictments for acts of corruption, againſt the judges of the inferior courts, reſerving to the Governor-general the right of entering, by the Attorney-general, a *noli proſequi*; that the judges of the Supreme Court ought to make annual circuits, and the clerk of it to have the power of ſuing for fines, the amount of which ſhould be paid to a receiver

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appointed by the Governor-general and Council; that a Coroner ſhould be appointed for Calcutta, and in the principal town of every diſtrict, and an Advocate-general for the King; that hard labour ſhould be inſtituted as a puniſhment, in place of baniſhment; that the Hindoos ought to be tried by their laws, and the Mahomedans by their laws: As the power in the Supreme Court of exerciſing controul, in revenue caſes, had ſometimes diſtreſſed the inhabitants, and impeded the collections; that therefore a Supreme Court of Appeal in revenue caſes ſhould be inſtituted; ſuch a court ought not to conſiſt of the Governor-general and Council alone, for then the moſt powerful party would be the judge; nor of the Governor and Council and Judges, for then there would be a perpetual diverſity of opinion: but ſhould be compoſed of ſeven judges, nominated by the Governor-general and Council, three of them to be of council, one of them ſelected from the puiſne judges of the Supreme Court, and three of them, European ſubjects of the King. This court ought to ſit once every month, or oftener, be aſſiſted with the advice of the principal officers of the Khalſa, decide by a majority of votes, and the ſenior member, preſent, have the caſting vote. The decrees of this court to be final, and, after deciſion, that it ſhould not be entitled to receive freſh exhibits, or examine new witneſſes*. To prevent corruption, adequate ſalaries ought to be given to the members of it; that in petty, civil, or criminal caſes, between the natives, the juriſdiction of the Zemindars ought

* In a note it is obſerved, that this would be a departure from the Engliſh juriſprudence without reverting to that of Hindooſtan.

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CHAP. I. to be reſtored to them, leaving to the parties the right of appeal from their decrees, to the Duannee or Foujdary Courts. That in each diſtrict, there ought to be a Mofuſſel Duannee Adaulet, to take cognizance of civil caſes, and a Foujdary Court to judge of crimes and miſdemeanors, and that both of theſe courts ſhould be aſſiſted by the members of the council; that the power of the Darogah ſhould be continued under the controul of the Governor-general; that the Cutwall, or ſuperindant of the police, ſhould not be permitted to inflict puniſhment on European or Armenian ſubjects; but only have the power of ſending them before a juſtice of the peace; that judges, of every deſcription, (pending the ſuit) ſhould be prohibited from converſing with the parties out of court, or receiving preſents of any kind; or having any concerns in trade; that they ſhould take the oath of allegiance and of office; that courts ſhould be inſtituted for the recovery of ſmall debts; that the intereſt of money ſhould be legally fixed, and upon an annual ſettlement, when due, that it ſhould be added to the principal ſum on opening a new account; that Sir Elijah Impey's plan for the publication of the act ſhould be followed; that the Court of Directors ſhould be obliged to deliver to the Lords of the Treaſury, exact and unmutilated copies of all their advices and diſpatches; for, ſince the Company have become a ſpecies of intermediate ſovereigns, the Proprietors, in a General Court, cannot be competent judges of the foreign political tranſactions of their ſervants; that the powers of the Proprietors ſhould be limited to the following, viz. of electing Directors, of making Bye-Laws, and of ſettling

tling their Annual Accounts; that the Directors ſhould have the qualification of two thouſand pounds ſtock, ſhould be choſen annually, and be reduced to fifteen; that the King ſhould have the power of appointing the Chairman and ſix of the Directors; and the Company of appointing the Deputy Chairman, and the remaining number of the Directors.

Of the principles of Mr. Haſtings and Mr. Barwell's plans of government and juriſdiction.

THOUGH it was neceſſary, in ſtating the different opinions of the ſervants of the Company, upon the ſyſtems of government and of juriſdiction ſuited to our Indian dominions, to bring the whole under the particular ſubjects which they examined, and to contraſt with them the opinions which were offered by a man of ability, when he was digeſting them into order, we ſhould not furniſh the Public with a full review of theſe intereſting memoirs, if ſome attention was not paid to Mr. Haſtings's plan of 1772. As a ſervant of the Company, he certainly had the beſt opportunities of information: he had paſſed through all the gradations of office, up to the rank of Governor-general. In this ſtation he diſcovered uncommon activity and political talents. It is for his judges and for poſterity to pronounce whether his meaſures were right or wrong.

IN a letter from Mr. Haſtings and Mr. Barwell to the Court of Directors, dated the 18th of January 1776, they inform them, that they ſend them a plan for the better adminiſtration of juſtice in the provinces of Bengal, &c. as they are of opinion, that the late act infringed on

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the rights granted by Parliament to the Governor-general and Council; and that it had become an impediment to the current buſineſs of the revenue. After paying a compliment to the moderation and wiſdom of the Judges, they obſerve, that the undefined characters of the courts which had been eſtabliſhed, required a reform, and then offer the following ſyſtem.

The principles upon which this plan proceeded were—That the government in India ſhould be made an intire one; the powers which it is permitted to exerciſe ſhould be legally annexed to it; the diſtinctions of Nizamut and Duannee ſhould be aboliſhed; the Britiſh ſovereignty, through whatever channel it may paſs, ſhould be ſupreme; the acts of Government ſhould be ſecure againſt interruption from warrants and writs, iſſued by the Supreme Court of Judicature.

Mr. Hastings had ſtated moſt of theſe principles in Council, in Auguſt 1772. They were, afterwards, examined and improved upon, and the Provincial Councils were eſtabliſhed in December 1773. In January 1776, he propoſed (as has been already noticed with his explanations) the following Courts of Juſtice for civil caſes, viz. 1. The Sudder Duannee Adaulet, or Superior Court. 2. The Provincial Councils. 3. The Courts of Adaulet Duannee Zillajaut, or Provincial Duannee Courts. 4. The Courts of Adaulet Duannee Mofuſſel, or Subordinate Duannee Courts. In the preceding compariſon of opinions, the nature of theſe propoſed courts

courts has been delineated. He alſo propoſed to eſtabliſh, as Criminal Courts—1. The Nizamut Sudder Adaulet. 2. The Courts of Foujdarry Adaulet. CHAP. I.

To accommodate theſe courts to the actual ſituation of Hindooſtan, Mr. Haſtings and Mr. Barwell propoſed to give a ſpecies of legiſlative power to the Governor-general and Council together with the chief Juſtice and Judges, aſſembled in the Duannee Court, for the purpoſe of forming ſuch rules and ordinances as they might think neceſſary and expedient for the good government of the country, and the welfare of the natives; ſubject, however, to reviſion by His Majeſty, agreeably to the Act 13th of His reign. In examining the preceding opinions, the nature of this legiſlative power has been already detailed.

Sir Elijah Impey's bill founded on them.

Sir Elijah Impey, by direction of the Council, drew up a bill, with the object of conſolidating theſe judicial and legiſlative powers in our Aſiatic provinces. Though the greateſt part of the particulars comprehended in this bill, have already been recited, it may be proper, in this place, to ſtate the principles upon which it was founded, and to ſubjoin the recommendation of it by Mr. Haſtings and Mr. Barwell.

The preamble ſtates, that the ſole ſovereignty of the Britiſh provinces in the Eaſt-Indies, at preſent, ſubject to the government and controul of the Company, ſhould be veſted in His Majeſty, and his heirs, &c. reſerving to the

CHAP. I. Indian Princes the rights which they now enjoy, or which have been ſecured to them by treaty with the Company; and that the Company ſhould retain the privileges which it exerciſes, either under the authority of acts of parliament, or under its exiſting charter. After recapitulating the 13th of the King, for eſtabliſhing a Supreme Court of Judicature, and ſpecifying the other kinds of juriſdiction, ſuch as thoſe of admiralty, &c. already taken notice of, it concludes, that the Supreme Court ſhould have the ſame powers, privileges, and prerogatives which are enjoyed by His Majeſty's Courts of King's Bench in Great-Britain; and that for the natives, courts of juſtice in conformity to the arrangements of Mr. Haſtings and Mr. Barwell ought to be conſtituted. The principal deviations, in this bill, from the whole of the preceding plan, they ſay, conſiſt in "the "juriſdiction reſpectively aſſigned to the Provincial Coun-"cils, and to the Courts of Adaulet Duannee Zillajaut. "The former are reſtricted to the cognizance of ſuch "cauſes only as had an immediate relation to the public "revenue; the latter are intirely freed from dependence "on, and connection with the Provincial Councils; and "inveſted with a juriſdiction, in all caſes, which do not "appertain to the revenue; and even in the trial of "complaints from the Ryots againſt the inferior agents "of the collections, for exactions not warranted by their "pottahs or leaſes. For although theſe, as matters of reve-"nue, ſhould be properly cognizable by the Provincial Coun-"cils, yet from innumerable inſtances of this kind of op-"preſſion, which, we apprehend, will occur whenever "the

" the Ryots ſhall have a reſource, provided for their re-
" dreſs, they would prove too heavy a charge upon the
" Provincial Councils, and encroach too much upon the
" time, which they ought to beſtow on the receipt and
" management of the larger collections."

" We preſume not, he concludes, to look beyond our own local knowledge; but we dare venture to pronounce, that it will be impoſſible to govern the people of this country, by the fixed rules of law and juſtice, under any ſyſtem, however judicious, which ſhall not have the ſanction of ſovereign authority, eſpecially with courts which are to exerciſe a concurrent juriſdiction, with the high powers granted by Parliament to the Supreme Court of Judicature."*

Inferences ſuggeſted by the whole of theſe opinions and ſyſtems—

Though this plan, and the bill which aroſe out of it, are merely articles in the hiſtory of opinions reſpecting India, hints may certainly be drawn from them, which may be uſeful to the public, and to the legiſlature, in judging of the ſyſtem required for the government of our Eaſtern poſſeſſions; from the compariſon of them the following inferences may, perhaps, be drawn—

—tending to fix our notions of the government ſuited to Britiſh India.

1. It will occur, that the government which had ſubſiſted in Hindooſtan, anterior to, and at the time when Great Britain obtained its poſſeſſions, was a ſubject perfectly new to thoſe who attempted to decide on it: nor

* Letter from Mr. Haſtings and Mr. Barwell to the Directors, dated 30th April, 1776.

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was the portion of the Mogul ſyſtem retained by the ſubverters of that empire, leſs a novel and myſterious ſubject. Under ſuch circumſtances, it is eaſy to account for the oppoſite opinions of the moſt intelligent ſervants of the Company : one claſs of them recommending the continuance of the Mogul ſyſtem, and another, the abolition of the treaties under which we held our ſettlements. One claſs of them inſiſting, that the Zemindars had original and a ſpecies of ſovereign power in their diſtricts ; another aſſerting, that this power, though often hereditary, was merely official and contingent ; one claſs of them wiſhing to extend the Engliſh laws and law courts, to a people who could not underſtand the one, or have confidence in the other ; and this liberality, oppoſed by the other claſs, from the expediency of retaining the mixed juriſprudence, to which the natives had been habituated. On the whole, therefore, it follows, that the ſpecies of government which the Company at firſt adopted, ariſing out of the nature of territories, acquired partly by conqueſt, and partly by treaties, was the only one practicable at the time. Events alone could conciliate the natives to their new maſters ; and experience alone could reconcile them to inſtitutions, the ſuperiority of which they could only perceive, in the ſafety and proſperity enjoyed under them. Parliament, therefore, did wiſely in the enquiries which it inſtituted to diſcover the real ſtate of our Indian poſſeſſions, and acted for the public intereſt, in its reſolution to engraft as many of the prejudices of the natives on the delegated ſovereignty of the Company, as circum-

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ſtances would admit of; at the ſame time, it was proper to allow to the natives the benefit ariſing from an improving ſyſtem of government. Had Parliament, inſtead of this prudence, annihilated the power of the Company, the natives muſt have looked on their recent conquerors, as they did on Alliverdi, and held them to be the actors of a day: nor could it have been explained to them, or could they have been made to comprehend, how a Conqueror could experience the viciſſitude of being reduced to nothing, by a written mandate from a diſtant land; or conceive, but that the power which had ſent ſuch mandate, might have been equally fleeting and diſſolving in its character.

2d. It will next occur, from the whole of the opinions on the general, as well as on the particular queſtions, reſpecting the government of our Eaſtern poſſeſſions, that the reſpective rights of the Company, and of the nation, were not, at this juncture, either developed or underſtood. The law queſtions, whether the Company, acting as a delegated ſovereign, could hold the provinces of the Mogul? Whether the King, conſiſtently with his dignity, could aſſume the character of a feudatory dependant of the Mogul? Whether it might not be expedient for the King to chuſe ſome native to hold the provinces of the Mogul, but to be accountable to the State? tended to no end, unleſs it was to furniſh ſubjects for the caſuiſtry of the Civilians. At this juncture, the Mogul was a dethroned monarch, maintained

—tending to fix our notions reſpecting the rights of Great Britain to its Aſiatic provinces.—

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as the penſioned ally of the Eaſt-India Company*. Privileges obtained from him were abſurd, becauſe he had no power to fulfil the conditions to which he might bind himſelf, and yet ſuch grants ſerved the purpoſe of conciliating the natives to our government. Privileges derived from the inferior princes (ſome of the leſſer Rajahs excepted) were ſtill more unavailing, becauſe all of them were uſurpers of yeſterday, and had no other conſequence than what aroſe from grants, extorted from their fallen ſovereign, or given to them by the accidents of talents and good fortune, ſeconded by that of power. And yet, ſuch was the line of thinking in India, that even privileges obtained from theſe newly eſtabliſhed ſovereigns, conciliated the natives to the authority of the Company. All, therefore, that Parliament could do, was to preſerve in force as many of the forms of the fallen empire, conveyed to the Company either in a direct or indirect manner, as were required to maintain that rich acceſſion to the Britiſh Empire.

—tending to fix the kind of juriſdiction required in them.

3d. It will laſtly occur, from the whole of the opinions which we have detailed, on the ſcheme of introducing the Engliſh laws into Hindooſtan, that the plan was rather liberal than practicable. The laws of a people ariſe, not from ſcientific perceptions of diſtributive juſtice, but from the principle of juſtice being gradually developed and accommodated

* This, though not exactly a parallel caſe, was ſomewhat ſimilar to the mode of government adopted in all the new ſovereignties in Hindooſtan. The Rajah of the Mahrattahs was but the political engine of the Peiſhwah, as the Rajah of Myſore was of Hyder Ally.

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to actual life. What nations term their *ancient usages*, are only the frequent application of this principle to events, gradually forming rules for their practice. Hence, the partiality of a people for their usages, is in fact nothing more than the first rudiments of their public education. Their established superstition tends to impress the value of such rules upon their minds; so that laws become as local as manners. In England, it is the history of a law which explains its character and its tendency to promote the interests of the people; and it is their acquaintance with this history which gives them confidence in their Courts of Justice. To have at once transfered the English law to our Indian subjects, would have been a violent obtrusion of foreign usages on a really vanquished, though nominally allied people. We have gradually been obliged to shift, since the first introduction of the Court of Judicature, from Provincial Councils to the formation of Courts of Justice, proceeding upon the principles of the laws, to which the natives had been habituated; and been compelled to admit the propriety of establishing a distinction between the subjects, who are under the British, and under the Native Courts. Even at this improved moment in the knowledge of Indian affairs, and after we are better acquainted with the systems of Hindoovee and Mahomedan laws, and with the practice of their Law Courts, it, probably, will be found expedient to continue the mode of improving the judicial power in our Asiatic dominions, rather by accommodating it to the customs of the natives, than to make the attempt of substituting, at once, the laws of England in the place of the laws of India.

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Mr. Dundas's Bill propofed in 1783.

At the clofe of the war in 1783, fuch were the impreffions of the public, refpecting the adminiftration of Indian affairs, by the Company, that a general defire feemed to prevail, for fome mode of regulation for our foreign fettlements in Afia, which might be better calculated to render them efficient parts of the empire; and that fome method might be devifed, by which the proceedings of the Directors fhould be made more coincident with thofe of the ftate. Men of moderation, however, forefaw, that differences of opinion, upon this fubject, might arife in both houfes of parliament, and it was to be apprehended that great oppofition would be given to any bill propofed upon this national concern. As a plan, however, for Indian affairs was looked for from thofe particularly, who had taken an active fhare in conducting the enquiries of the houfe of commons upon this fubject, Mr. Dundas, then His Majefty's Advocate for Scotland, and who had been chairman of one of the committees, came forward with the following plan, in the form of a bill, for the confideration of the houfe of commons.

The part of it which regarded the fyftem of government fuited for our poffeffions in India.

In the preamble, this bill proceeded upon the privileges which the charters of the Eaft-India Company had conveyed to them, in virtue of different acts of parliament, and in particular, on the regulations fpecified in the 13th of His Majefty.

The firft branch of it regarded the *foreign governments.* It fet out with propofing, that there fhould be appointed

pointed one Governor-general and Captain-general of all the Britiſh ſettlements in India; that he ſhould be veſted with the ſupreme power over the preſidency of Fort William, and over the other preſidencies and ſettlements in India, together with the chief command of all the forces, ſubject only to ſuch orders and inſtructions, as he might, from time to time, receive from the Court of Directors; that all the deeds of this Governor-general and Captain-general, ſhould be certified under the ſeal of his office. In the exerciſe of theſe extenſive powers, however, (except in the caſes of laying on an embargo, or arreſting ſuſpected perſons) he was to ſummon the council, (which was to conſiſt of four members) to communicate with them, and to hear their opinions on any act of hoſtility, which he might order, on any treaty he might alter or conclude; or, in general, upon any act of government, which he might have in view: The records of the proceedings of the council were to be made up by the ſecretary, one copy of which was to be tranſmitted to the Court of Directors, and one to His Majeſty's Principal Secretary of State: All acts of Government were to be iſſued in the name, and under the ſeal of this Governor-general: If any difference of opinion ſhould ariſe between him and the members of council, the ſecretary was to enter on the records, the opinion or advice of each member preſent, with the reaſons aſſigned for it, ſubſcribed by ſuch member, and to tranſmit them, with the records of council, to the Court of Directors and to His Majeſty's Principal Secretary of State. If the Governor-general ſhould differ in opinion from a part, or from the whole of the

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THE bill, in the next place, propoſed, that the Governor-general ſhould have the power of negotiating and concluding treaties, of ordering hoſtilities againſt any Indian Prince, and of defending the poſſeſſions of Indian ſtates, of which the Company, by treaty, were guarantees; of levying troops, ap-

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pointing commanders, of making war, or concluding peace; ſubject, however, to ſuch orders as, from time to time, he might receive from the Court of Directors. That, under his hand and ſeal, he might iſſue warrants for detaining or ſecuring perſons ſuſpected of illicit commerce, or of keeping up a correſpondence with any of the country powers; but exceptions were made in favor of His Majeſty's commanders of ſhips, and officers under them; alſo of the members of council; of the members of the Supreme Court of Judicature; of the members of the Sudder Duannee Adaulet of the Company's ſervants in general, and of any licenſed trader, unleſs on information, by credible witneſſes, upon oath; that he ſhould have the power to ſuſpend the execution of the ſentences of the Supreme Court, in which the puniſhment was to be capital, for ſuch time, as he might think proper, or till His Majeſty's pleaſure ſhould be known; and, if ſuch ſentence affected a native of India, he might grant a pardon, abſolutely or conditionally, with the advice and conſent of the Council. That he might alſo enter a *noli proſequi* in a criminal proceſs, if carrying on againſt a ſervant of the Company for any official act. To render this ſyſtem more ſimple, the Governor-general was to have the ſupreme controuling power in civil and military affairs, over the other preſidencies in India, all whoſe acts were to be tranſmitted to him, ſubject to his ratification or rejection. If any commotion ſhould ariſe, or miſmanagement be diſcovered in the ſubordinate preſidencies, he was to be empowered, (taking with him his ſeal of office and any of the members of Council he might think fit and the Se-

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The bill, in the third place, proposed, that the Governor-general and Council should be named in the act, and be amoveable by an order from His Majesty, under his sign manual, countersigned by one of his principal Secretaries of State. This order was to extend to the subordinate presidencies, and a copy of it sent to the Chairman or Deputy Chairman, within fourteen days after being signed. That in the event of a vacancy, the Court of Directors were to appoint a successor to the Governor-general: the appointment, however, to be subject to the approbation of His Majesty. That if the Directors should refuse to make such appointment, then His Majesty was to nominate a person. In this manner the Governors and Members of Council, in general, were to be appointed. That the Directors were to have the power of nominating persons, provisionally to the superior offices, such nomination to be submitted for His Majesty's approbation, within seven days after the appointment had taken place. None of the Directors were to be appointed either by His Majesty or by the

the Company, to theſe offices, till ſuch time as they ſhould have been out of the direction for the ſpace of four years. In the event of the Court of Directors becoming diſſatisfied with any of their Governors or members of Council abroad, that they were to be empowered to repreſent the circumſtance to His Majeſty; and that they were to follow ſuch meaſures as, in his royal wiſdom, he ſhould think fit to preſcribe to them. Such repreſentations, however, were not to be allowed to be reviſed or reſcinded by the Court of Proprietors. That the ſenior member of Council was to be Lieutenant-governor; and, in caſe of a vacancy, to act as Governor till another ſhould be appointed, or till he himſelf ſhould be promoted; tranſmitting always information of the vacancy by the ſpeedieſt means. In caſe of a vacancy in the council, the Governor-general might appoint to it, till the pleaſure of the Directors ſhould be known. That upon the arrival of the Governor-general, in India, he was to iſſue his proclamation; then to take an oath to His Majeſty and to the Company, before the chief juſtice or a puiſne judge, and all the members of Council; and then to be held as fully inveſted with his office. After which, the members of the Council and the Secretary were to take the ſame oaths, adminiſtered to them in his preſence. This new ſyſtem was to take effect from the time of the arrival of the Governor-general, and his iſſuing his proclamation.

The part of it which regarded the ſituation in which the natives were to be placed under the Britiſh government.

The other great branch of this bill regarded the natives, and proceeded upon the principle of preſerving to them their laws, uſages, and religions. With this object it

CHAP. I. it propofed, *firft*, that a fubordinate legiflative body fhould be formed, in which the Governor-general was to act, by the advice and with the confent of the Council, and of the Chief Juftice and other Judges of the Supreme Court. That this fubordinate legiflative body was to enact fuch rules and ordinances as they fhould deem to be neceffary and juft, and for the good government of the Britifh poffeffions; for the collection of the revenues; for affeffing and levying fuch taxes upon the houfes and lands of Calcutta as might be required to maintain the internal police of that place; for fixing and recovering the duties on export, import, and tranfit trade; for inflicting and recovering reafonable fines and forfeitures, &c. Thefe regulations, however, were not to operate on His Majefty's natural born fubjects, in any way repugnant to the laws of England. As intended alfo for the natives, fuch rules were not to be in oppofition to the religions, laws, and cuftoms of India. The fanctions annexed to them were not to be capital, for the former, unlefs they were made fo by the laws of England; nor, for the latter, unlefs they were fo by the laws of the country; and particularly that a Hindoo was not to be deprived of his caft, unlefs he would have forfeited it by the laws of Hindooftan. In the enactment of rules or ordinances, each member of the legiflative body was to have an active as well as a deliberative voice. The rule, after having been propofed, was to undergo three different readings; then to pafs by the majority of votes, and be approved of by the Governor-general; but not to be valid till thirty days after it had been regiftered in the Supreme Court of Judi-

Judicature, and till twenty days after copies of it ſhould have been made in the Engliſh, Perſian, and Bengal languages; and been affixed in the place where this court was commonly held. That the clerk of this court was to tranſmit copies of theſe rules to the inferior, civil and criminal courts. To aſſiſt the Governor-general, &c. in forming theſe rules, the Roy Royan, Superintendent of the Khalſa, Chief Canongoe, Chief Pundit, and Chief Moulavie, reſident at Calcutta, were to be ſummoned to the meeting, to explain and to give advice. That copies of all ſuch rules were to be tranſmitted to the Court of Directors, the Chairman of which, within fourteen days from the receipt of the diſpatch, was to ſend them to His Majeſty for his approbation. Appeals to His Majeſty alſo were to be allowed againſt ſuch rules and ordinances within ſixty days; who, with the advice of his Privy Council, might declare them to be valid, or to be null and void. Any ſuch regulation was, however, to continue in force till forty days after its annulment, made on the part of His Majeſty, ſhould be publiſhed, as the rule had originally been.

The bill next propoſed, that the Governor-general ſhould be allowed a ſalary of £.25,000 per annum, and each of the Members of Council a ſalary of £.10,000 per annum. Theſe ſums were to be in lieu of every other advantage; for, the Governor, &c. were to be prohibited from receiving gifts or preſents; and were not to be engaged in any but in the public ſervice. The other ſervants of the Company were to

CHAP. I. be ſubject to the like conditions, with the exception of fees paid to lawyers, phyſicians, and chaplains. That if any ſervant of the King or Company ſhould be proved to have taken a gift from any Indian Prince, or from the natives, he was to be made liable to puniſhment by the Supreme Court; and on conviction, to forfeit double the value received, one moiety of which was to be paid to the perſon informing, and the other to the Company. That in particular, ſuch of the ſervants of the Company who might be employed in the collection of the revenue, were to be prohibited from carrying on any private trade on their own account, under the pain of forfeiting the goods and treble their value. That the intereſt of money was to be fixed at 12 per cent. and an offender, againſt this regulation, was to forfeit treble the amount, and the informer was not to be permitted to compound, or to agree with the party againſt whom his information had been lodged. That if any ſervant of the Company ſhould reſign, or be diſmiſſed from the ſervice in India, it ſhould not be lawful for him to carry on any commerce in India, except for the diſpoſal of his ſtock in hand; and if accuſed of breach of truſt, upon conviction, ſhould be ſent home to England, unleſs he could find ſecurity to remove within a ſpecified time; and no ſentence of this kind to be compounded for.

The bill propoſed, in the third place, that the ſubordinate preſidencies of Madras, Bombay, and Bencoolen, ſhould each have a Governor and a Council conſiſting of four members. That the Governors of ſuch ſettlements ſhould have a

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negative, but not the power of acting againſt the majority of the members of their councils. That they were to be ſubject to the ſame rules of appointment, ſucceſſion and recall, with the Governor-general, &c.; and that they, and the Company's Agents or Miniſters at the Indian Courts, were to carry on a regular correſpondence with the Governor-general, and to receive and obey his inſtructions or orders. That the Governor-general, Councils, and Judges, and the Governors and Councils of the ſubordinate preſidencies were to have the powers of Juſtices of Peace, and of holding Quarter-ſeſſions; and if they ſhould be guilty of any offence againſt this act, it was to be tried in His Majeſty's Court of King's Bench, in the ſame manner as if the offence had been committed in Middleſex. That in caſe an indictment or information, ſhould be lodged in the Court of King's Bench, of crimes committed in India; upon ſending a writ of *mandamus* to the Supreme Court of Judicature or to any Mayor's Court in India, theſe courts were to examine evidence *viva voce*, to tranſmit the reſult, to give copies to the agents of the parties; and that this evidence was to be held to be the ſame, as if it had been taken in the Court of King's Bench. That if the mandamus ſhould be directed againſt a member of the Supreme Court, the Governor-general and Council were to examine the caſe, take the evidence, and ſend the proceedings to England. That in the caſe of ſuch offences being committed in India, as were cognizable by parliament, the Chancellor, or Speaker of the Houſe of Commons were to be empowered to iſſue their warrants to the Governor-general and Council, and Judges, to ex-

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amine witneſſes, and to make a report, which report was to be held as legal evidence; and theſe proceedings were to remain in force, though parliament ſhould be prorogued or diſſolved.

WITH regard to the tenures of land in Hindooſtan, it was propoſed in this bill, that in ſo far, as the good government of the ſettlements would admit, the Rajahs and Zemindars ſhould be re-inſtated; pottahs given to the Ryots at reaſonable and fixed rates, enquiries made and the moſt expedient method adopted for making ſuch reſtoration, ſettling the quantum of tribute, modes and days of payment: and, to protect the Ryots from extortion, the Courts were to be empowered to inflict puniſhments proportionate to the offence.

The part which regarded the immediate ſettlement of the reciprocal claims of the Company and of the native powers on each other.

BESIDES theſe general objects, it was farther propoſed to take meaſures for ſettling the reſpective claims of the Company and of the country powers; in particular, for adjuſting and liquidating the debts of the Nabob of Arcot and Rajah of Tanjore, in ſuch a way as might enable them to fulfil their engagements with the Company, and to contribute to the defence of their reſpective territories. For theſe ends, the Governor-general and Council were to tranſmit the reſults of their enquiries, on the ſubject of the debts of the Nabob of Arcot and Rajah of Tanjore, to the Directors, and to His Majeſty's Principal Secretary of State; as alſo, accurate liſts of the civil and military eſtabliſhments and emoluments of the Company's ſervants in India, that meaſures might be taken for re-

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trenching expenſes, and reſtoring proſperity to the Company's affairs. CHAP. I.

General tendency of this propoſed bill.

THIS bill evidently was founded upon the general idea, that during the term of the Company's charter, the adminiſtration of their affairs required the active interference of the executive government, and, in this point, the opinions in Parliament, for and againſt the bill ſeem to agree *. On the one hand, it was allowed, that a government which ſhould have energy and extenſive powers, in India, was required; and, on the other, that a reſponſibility more defined than in the act of the thirteenth of the King, was neceſſary. The principle of the bill, therefore, was allowed to be proper, and the only difference of opinion, was, reſpecting the checks which it might be expedient to have over this controuling power, in its operation. Without entering upon queſtions which events have fully explained, it will be ſufficient to obſerve, that out of this plan aroſe the ſyſtem, which has ſince that time been adopted, in which the controul of the ſtate over Indian affairs has been eſtabliſhed; the ſubordination of the other Preſidencies to that of Bengal, clearly marked out, the rights of the natives to their lands, &c. put in the train of being aſcertained, and, ultimately ſettled on equitable terms; and the points in diſpute between the Company, the Nabob of Arcot, and the Rajah of Tanjore, adjuſted.

* See Debates—Parliamentary Regiſter, 1783.

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The expenſes incurred during a long and general war, in India, having brought the Company's affairs into ſuch diſtreſs, that immediate relief was required, Sir Henry Fletcher, while this bill was pending, moved for leave to bring in a bill to grant to the Company a further time, to recover from the loſſes, which they had ſuſtained, and for a delay in the payment of certain ſums due, by them, to the Public. The plan for the government of India, of which we have given the outline, was loſt in the diſputes about this more immediate concern.

Mr. Fox's bills propoſed in 1783.

The ſame impreſſion which had led to the preceding plan, ſtill continued with the Public, and brought forward *Mr. Fox's* bills, for the better regulation of Indian affairs, domeſtic and foreign.. We ſhall, therefore, take them, in their order, ſtate the principles upon which they proceeded, the propoſitions contained in them, and the arguments adduced by the Company againſt their being adopted by the Legiſlature.

His propoſition which regarded the arrangement of the domeſtic affairs of the Company.

The bill which had the *domeſtic arrangement* of the Company's affairs for its object, ſets out with the preamble, that diſorders of an alarming nature and magnitude had long prevailed in the adminiſtration of the territorial poſſeſſions, revenues, and commerce of this kingdom in the Eaſt-Indies; that, in conſequence of them, the natives had been reduced to diſtreſs, and the public intereſts in India, in danger of being ruined. A remedy, therefore, had become abſolutely

absolutely necessary, and the following was proposed, viz. That all the powers which were exercised by the Directors and Proprietors of the East-India Company should be discontinued, and the Company no longer entitled to hold Special or General Courts; any charter, usage, law, or statute, to the contrary, notwithstanding—That, therefore, seven persons, named in the Act, were to be appointed Directors or Commissioners, constituted members of the Company, and vested with the powers of the former Directors and General Courts of Proprietors.—That to these Directors was to be committed the management of the territorial possessions, revenues, and commerce of the East-India Company; and to enable them to discharge their duty with effect, they were to be put in possession of the lands, warehouses, books, records, charters, ships, goods, merchandizes, money, and securities for money belonging to the Company; and to administer the whole for the benefit of the Proprietors—That they might be enabled to manage the commerce, nine Assistant Directors, named in the act, were to be appointed from among the Proprietors who should be possessed of £.2,000 capital stock; these Sub-directors were to be bound, from time to time, (and as often as they should be required) to render an account of their transactions and proceedings to the Directors; and to obey whatever orders they might receive from them; That the Directors were to take an oath, "to be indifferent, and equal to all manner of persons, and to give their best advice and assistance, for the support and government of the Company, and for the good management of the territorial possessions, revenues, and commerce of this kingdom, in the East-Indies."

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" Indies."* That the Aſſiſtant Directors were alſo to take an oath, " that they would be indifferent and equal to all " manner of perſons, and that they would carry on, ma- " nage, and improve the trade and commerce of the Eaſt- " India Company, to the beſt of their ſkill and under- " ſtanding."† That if a vacancy ſhould happen, among the Directors, by death, reſignation, removal, or otherwiſe, it ſhould be filled up by his Majeſty, by an order under his ſign manual; that if a vacancy ſhould take place, among the Aſſiſtant Directors, it ſhould be filled up by the Proprietors as qualified in the act, the thirteenth of the King. The Proprietors, in this election, were not to vote by ballot, but in open court, ſpecially ſummoned for that purpoſe, where they were to ſubſcribe their names, under the name of the perſon for whom they voted. That, if upon enquiry, five of the Directors ſhould, at any meeting, find that any of the Aſſiſtant Directors had been guilty of neglect or of miſdemeanor, in executing the duties of his office, or of wilful diſobedience to any of the orders of the Directors, then they were to be removed and diſplaced; and the Directors were to enter in their journals their reaſons reſpectively for ſuch removal, ſigned with their names: That two of the Directors, named in the act, were to the Chairman and Deputy Chairman; and the Deputy was to ſucceed of courſe, in caſe of the death or removal of the Chairman; if a vacancy happened in the office of Deputy Chairman,

* See the Act as printed for the Houſe of Lords.

† Ibid.

the Directors were to fill it up, from among their own number; that the Chairman and his Deputy were to have the power of ſummoning extraordinary meetings of the Directors, and of laying the buſineſs before them; the Directors were to give their votes openly, and when any of them diſſented from the reſolutions of the Board, they were to enter their reaſons on the journals; that no perſon furniſhing the Company with ſhipping, military ſtores, or any article of inveſtment outwards, was to be capable of being either a Director, or Aſſiſtant Director; nor any perſon againſt whom authenticated charges, on the records of the Company, ſhould have been made (within two years before the time of his nomination) of peculation, or of oppreſſion in India, until the Directors, or three of them, ſhould have examined the charge, and declared the perſon not to have been guilty; and, that no ſervant of the Company ſhould be eligible, as Director, or Aſſiſtant Director, within two years after his return to Europe. It was propoſed farther in ſpecifying the duties of the Directors to the Public, that they were to lay before the Proprietors, in a General Court, to be for that purpoſe aſſembled once in every ſix months, an exact ſtate of the debts and credits of the Company, the firſt coſt and charges of their inveſtment, outward and inward, and the ſums in India applicable to inveſtment, with an account of the ſhipping and of the produce of the ſales, and the ſtate of the warehouſes at home and abroad; that the Proprietors were not to have the power of ſummoning a General Court more than once in every three months, which court, at the ſame time, muſt be aſ-

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CHAP. I. ſembled, or called, by the Directors, or three of them; but it was to be lawful for any nine, or more of the Proprietors, to apply to the Directors (each of theſe Proprietors being poſſeſſed of £500 capital ſtock) to ſummon a General Court within ten days after ſuch demand; or in default of the Directors, or any of them, refuſing to ſummon ſuch General Court, that then ſuch nine Proprietors, or a greater number upon ten days notice, to be given in writing, and fixed up in the Royal Exchange, were to have the power of ſummoning and holding a General Court of Proprietors. That the Directors were, twenty days after the commencement of each Seſſion of Parliament, to lay before the Commiſſioners of the Treaſury, to be by them laid before Parliament, an account of the territorial and other revenues of the Company in India, eſtimates of the civil, naval, and military eſtabliſhments there; an account of the bond and other debts in India, ſpecifying what belongs to each Preſidency; with a ſtate of the trade as laid before the Proprietors at their laſt General Meeting. The Directors were to have the farther power of ſuſpending, diſplacing, or appointing perſons to offices, civil or military, in the ſervice of the Company, either within this kingdom or in India: that when any charge of corruption, peculation, breach of orders, &c. which ſhould be exhibited before any of the Preſidents and Councils abroad, was tranſmitted to the Court of Directors, they were within twenty days after receiving ſuch information, to enter on the examination of the charge; and if they ſhould not think proper either to recal the perſon, or to order a proſecution

ſecution againſt him, they were to enter their reaſons, in writing, upon their journals, and to proceed in the ſame manner, in complaints made by any of the native Princes, dependant upon, or under the protection of the Company, againſt their ſervants abroad.

THAT if any charge ſhould appear upon the Company's records againſt any of their ſervants, they were not to be permitted to return to any part of India, or to be employed in any office in the ſervice of the Company, till the Directors ſhould have made a full and particular examination into the conduct of ſuch perſons, relative to ſuch charge; and if they ſhould permit them to return, they were to enter their reaſons upon their journals. That in caſe of any diſputes between the Governors and Councils, or between the ſubordinate branches of the Company's eſtabliſhments, the Directors ſhould, within twenty days after receiving official information, enter upon an examination and enquiry into the ſubject, and either decide on it within three months, or enter their reaſons for delay upon their journals, ſigned with their reſpective names. That they were to be bound, within three months after their receipt of the requiſition of any of the preſidencies abroad, relative to any diſpute ſubſiſting among them, to return an anſwer, opinion, and direction, entering on their journals their reaſons ſigned with their reſpective names. That if any Indian Prince ſhould complain of a breach of treaty, or of an injury or wrong done to him, by any of the Company's civil or military ſervants, the Directors were to examine the caſe as ſpeedily as might be, and to do juſtice

CHAP. I. for ſuch breach of treaty, wrong, or grievance; that they were not to have the power of puniſhing the breach of any bye-law, unleſs the penalty annexed to it ſhould be approved of by a majority of the Proprietors, having £. 1,000 of capital ſtock. That three of the Directors were to form a board, and that the Chairman (or Deputy Chairman, in his abſence) was to have two voices, or the caſting voice. That the Secretary to the Board of Directors was to ſign all diſpatches to the ſettlements abroad, and that the accounts already ſpecified, which were formerly to be ſigned by a particular number of Directors, were now to be ſigned by three of theſe Directors. That the Directors and aſſiſtant Directors were to be declared incapable of holding any other office, in the ſervice of the Company, or any place of profit from the Crown during pleaſure. That the Directors were to be removeable, upon an addreſs of either of the Houſes of Parliament to the King. Theſe Directors were not to be diſqualified, under the proviſion of the act of the ſixth of Queen Anne, from ſitting in the Houſe of Commons. That each of the Aſſiſtant Directors were to be allowed a ſalary of £.500 per annum, during the time of their holding the office, and to be diſqualified, in conſequence of holding it, from ſitting in the Houſe of Commons; and ſhould ſuch Aſſiſtant Director be elected, and take his ſeat, that he ſhould forfeit for every day ſo ſitting, £.500 to the perſon ſuing him. That this act was to take effect, on receiving the Royal Aſſent, and to continue in force for four years*.

* From the copy of Mr. Fox's bill, as printed by the Lords.

THOUGH

Objections made by the Eaft-India Company againft this propofition paffing into a law.

Though this propofition for the *domeftic regulation* of the Company's affairs, was intimately connected with that which was brought forward for the government of their *foreign poffeffions*, the arguments which were adduced by the Company againft this bill paffing into a law, ought to be ftated apart.

1. The Company admitted, that diforders had prevailed in their fettlements abroad, which were of an alarming nature and magnitude, but faid, that inftead of originating in the Court of Directors, they might be traced either to the want of power in that Court to enforce obedience to their orders, or to the ambition and interefted fchemes of individuals among their fervants abroad, who knew that the Company had no power to punifh them, in any other way, except by difmiffing them from the fervice. That in the year 1767, the Company had afked to be vefted with the power of punifhing their fervants abroad, for difobedience of orders, but it was not thought expedient, at that juncture, to confer it on them. To their want of power, therefore, to controul the conduct of their fervants, had been owing the confufion in their councils abroad, and that animofity among their fervants, which had worked them up into contending factions. That the diforders of a public nature, had arifen from the war in Europe extending to India, for this had afforded the French an opening for cabal and unfair interferences, and enabled them to engage the country powers in a general combination, for the expulfion of the Englifh from their different fettlements. Thefe were facts univer-

CHAP I. ſally known and admitted. If the war, then, did not originate with the Company, but in events of which they were not the authors, the diſorders which had prevailed in India during the progreſs of that war could not be wholly aſcribed to them. The enormous debt which they had been obliged to contract, in conſequence of this war, might be an argument for granting them relief, but could not, ſurely, be a reaſon for depriving them of any of the privileges they enjoyed under their charter.

2. The Company next defended themſelves, by ſtating, that it could not be alledged againſt them, that they had, in any degree, neglected to carry the Eaſt-Indian commerce to its utmoſt extent, and produced accounts of their exports, imports, number and tonnage of their ſhips, and duties paid to the ſtate, anterior to the war, and during its continuance, adding the proſpects which peace was now offering to them of reſtoring their affairs. Whether their ſervants had acquired fortunes *honeſtly* or *diſhoneſtly* they held to be out of the queſtion ; if *honeſtly*, there could be no blame in taking up money from them, for bills on England, to ſupport the war ; and if *diſhoneſtly*, it could not be ſuppoſed, during ſo trying an exigency, that they could enter into any examination of the fact, more particularly, when they had no other power, than that of diſmiſſing the delinquents from their ſervice ; if they had refuſed to accept of this money, it would neceſſarily have paſſed through foreign companies to Europe, and indirectly might have been made a reſource

to

to our enemies. The debt was now contracted, and it muſt be paid. CHAP. I.

3. The Company pleaded, in the third place, that as a body corporate, they ought not to be deprived of any part of their privileges, unleſs they had violated ſome of the conditions in their charter; and even if they had violated theſe conditions, that they ought to be put on their trial; if a trial was denied them, then it would eſtabliſh as a principle, that a royal charter, proceeding upon an agreement with Parliament, might be annulled by another act of Parliament; and that the property of ſuch body corporate might be put into the hands of truſtees not accountable to its owners, but to the Public. The thirteenth article of the Bill of Rights had confirmed charters, as ſolemnly as it had done the other rights of Engliſhmen; what, therefore, the ſituation of the Eaſt-India Company would be, with reſpect to their charter if this bill paſſed, might become that of any other chartered body in Britain.

4. The Company argued, in the fourth place, that the ſituation of the Aſſiſtant Directors, who were to manage the trade, muſt preclude them from that freedom, which was required to carry it on with ſpirit; that the new Directors, though conſtituted members of the Company, were not required to be Proprietors, and had not been bred or accuſtomed to commercial affairs. To be a merchant, required ſtudy and practice; and though the truſt might be managed with the moſt pure and patriotic inten-

CHAP. I. intentions, it could not be managed well by perſons unacquainted with commerce. Should the revenues be aſſumed by the Public, and a compenſation be given to the Company, for the remainder of their term, they might then complain of a hardſhip, but could not of an injuſtice; and that, at all events, if they were to be held as unfit to manage their own affairs, and theſe to be put into the hands of truſtees, it would be but reaſonable, that theſe truſtees ſhould be made ultimately accountable to the Proprietors.

5. THE Company inſiſted, in the laſt place, that by putting the management of their affairs into the hands of the new Directors, a kind of *fourth eſtate* in the realm would be formed, able to check the energy of the executive, or the deliberations of the legiſlative branches. Theſe new Directors, they aſſerted, would not be under controul, as the reſponſibility was not to be removed from the Secretary of State, and their continuance in office, for four years, might give them an undue influence in the elections for the ſucceeding Parliament.

THESE arguments had the effect to create an alarm, which terminated in an opinion, that the propoſitions had not ariſen out of a proper view of the chartered rights of the Company, and that they did not comprehend regulations, calculated to introduce a better ſyſtem for the admiſtration of Indian affairs.

THE

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His propofition which regarded the arrangement of the foreign affairs of the Company.

The bill which had the arrangement of the *Company's foreign affairs*, for its object, was introduced with the following obfervations, "that great diforders had prevailed "in the Britifh territorial poffeffions in India, and that "the laws of this kingdom had not been obeyed, by many "of the fervants of the Company of Merchants trading to "the Eaft-Indies." To remedy thefe evils, the bill propofed to declare; that there was not, nor had been granted any privilege or authority, pre-eminence or jurifdiction, by the 13th of His Majefty, to the Governor-general and Council of Bengal, or to any other perfon, in the fervice of the Eaft-India Company, which did, or fhould exempt them from a ftrict and faithful obedience to the orders of the Directors, or of the Commiffioners, to be named and appointed, under this act, to govern and manage the affairs of the United Company. It then propofed to declare, that all the general and fpecial orders of the Court of Directors, for regulating the conduct of the Governor-general and Council, or of any perfon in the fervice of the Company, fhould be implicitly obeyed, until notice fhould be given, by the Commiffioners, of any alteration, revocation, or repeal of them. It next ftates, that the claufe in the act of the thirteenth of His Majefty, had been conftrued to refer to certain forts and factories only, and not to every part of the provinces of Bengal, Bahar, and Oriffa; but that, it did, and fhould be underftood to refer to all the rules, ordinances, and regulations, iffued by the Governor-general and Council, relative to forts and factories, or other fubor-

CHAP. I. dinate places, and to extend over whatever claſs or deſcription of perſons theſe ordinances were to operate. That ſuch rules ſhould be regiſtered and publiſhed in the Supreme Court of Juſtice, and the ſubſtance of them tranſlated into the Perſian and Hindooſtan languages, and affixed in ſome proper place, in each and every provincial court within the provinces of Bengal, &c. or within the territories to which they related. It farther propoſed to declare, that the powers of the Governor-general and Council, and Preſidents, and Councils, ſhould, on no occaſion, be delegated to ſuch Governor alone, or to any perſon or perſons whatſoever. And in caſe the Governor, or any other perſon ſhould be employed in the execution of any ſpecial commiſſion, a full report ſhould be firſt made to the Governor-general and Council, reſpectively. The bill then ſtates that all correſpondence ſhould, in future, be addreſſed to the Governor-general and Council, and that all letters from perſons in offices of truſt, addreſſed to the Governor-general, or any Member of Council, or to their Secretaries, ſhould be laid before the Council, when the ſame ſhould be received. The Governor-general was alſo to have the power of poſtponing or adjourning any queſtion, that might come before the Council, for a certain number of days. The Governor and the Council, as well as the Preſidents and Councils, were to be prohibited from ceding to, or exchanging with any native prince or ſtate whatever, any territory which was in the poſſeſſion of the United Company, or of any of the dependent Princes or States, or to accept of any acquiſition from them, to the territories of the Company,

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without orders from the new Board of Commiſſioners. That the Governor-general ſhould not have the power of invading or entering, with an armed force, into the territory of any native independent Prince or State in India, except upon intelligence (the credibility and importance of which ſhould be allowed by a majority in Council, declared by them in their minutes, and ſubſcribed by each member compoſing ſuch majority) that ſuch Prince or State was about to make war on the territories of the Company, or on the Princes or States dependent upon them. That the Governor-general and Council were not to be permitted to enter into any offenſive alliance for the purpoſe of dividing or ſharing any country between the Company and any native Prince, without orders firſt received from the Commiſſioners; nor to hire out to any Native State or Prince, any part of the Company's Britiſh or Native troops, nor to enter into any treaty for keeping up a body of ſuch troops, in the country of any independent Prince or State. That none of the governments were to employ in any office, any perſon, Native or Britiſh, who ſhould have been removed from an office or ſtation, for any miſdemeanor, or other offence, without authority firſt obtained from the Commiſſioners. That the Governor, &c. and the Company's ſervants in general, were to be prohibited from renting or letting any farm, or land, or any property whatever, to any Banyan or Native Steward; and if ſuch a caſe ſhould occur, the farm, &c. was to be deemed to be for the principal, who was to be obliged to account for the profits to the Company; that all monopolies, or rights of pre-emption and preference of any com-

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modities, in any of the Company's ſettlements, were to be declared, contrary to law, and void; that no debt, above a fixed amount, incurred by an advance for the ſupport of any manufacture, or for the purchaſe of materials; or to any huſbandman for any raw commodity, ſhould be recoverable in any court, or by any action or ſuit at law, after a certain time; nor ſhould it be lawful to impriſon any perſon, whatever, for or by reaſon of any ſuch advances. That preſents, gratuities, &c. having been taken contrary to the true intent of the act, the thirteenth of the King, and the receipt of them defended, by pretending that they were for the uſe of the Company; it was, therefore, propoſed, that if ſuch preſent ſhould not have been corruptly given, to obtain any place, or other object, to which the perſon giving the ſame ſhould not be entitled, it ſhould be redelivered to him, or to his repreſentatives according to the cuſtoms of the country, and that ſuch perſon ſhould be entitled to recover the amount by an action at law. If a preſent were corruptly given, to obtain any place, or other object, relating to the Company's ſervice, then the perſon giving it ſhould not be intitled to recover; but the amount ſhould be recovered for the uſe of the Company; if neither the perſon giving, nor the Company, ſhould ſue for the amount, then any perſon might ſue for it, and receive it for his own benefit. If any perſon directly or indirectly, ſhould receive preſents from any Indian Prince, or native, upon any account or pretext whatever, and be clearly convicted thereof, in the Supreme Court of Calcutta, or Mayor's Court, or Court of competent Ju-

rifdiction in England, then he fhould be liable to certain penalties*. CHAP. I.

The rents paid by landholders to the Company having been raifed, lands farmed out at new rates, and ancient farmers and proprietors having been difpoffeffed, it was propofed, that all lands, within the provinces of Bengal, Bahar, and Oriffa, or in territories under the adminiftration of the Company, fhould be deemed to be the eftates of the native landholders or farmers, who had formerly held them, unlefs they had been difpoffeffed of fuch lands, by the judgment of fome competent court, for fome crime, mifdemeanor, or neglect of payment; and thefe lands were to be held by them, according to the cuftoms of the country without any moleftation or difturbance from the Company or their fervants. It was, however, to be underftood, that this claufe was not to deprive the Company of the rent or tribute, which might be due to them from fuch native landholders, or their defcendants, nor to prevent them from taking any means confiftent with the laws and ufages of thefe countries, for recovering or obtaining payment of fuch rent or tribute. With the object of quieting the minds of the native Princes, and preventing corrupt practices, on the part of the Company's fervants, the rents were to be fixed and permanent, at an amount which had been paid, or agreed to be paid by the native landholders, in fome pre-

* In the bill, as printed, for the ufe of the Commons, the penalties to this claufe are not annexed.

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ceding year to be ſpecified, and no other charge or payment was to be exacted. On theſe terms the farms were to be reſtored to the former landholders; but if they, or their heirs, or deſcendants, ſhould prefer the penſions they had been accuſtomed to receive, in lieu of their lands, the ſame ſhould be continued to them without any diminution. It was further propoſed, that the native Princes or States in India, having the management of their own revenues, but engaged by treaty to keep up a body of troops for the ſervice of the Company, ſhould be declared to be under the protection of His Majeſty.

As the preamble of this bill had ſet forth, that unwarrantable acts had been committed in, and relative to the territories and revenues of the native Princes and States, the Commiſſioners were to be empowered to bring the Company's ſervants, who might be guilty of ſuch acts, before courts of juſtice, both in India and in Great Britain, for trial. None of the Company's ſervants, civil or military, were to be permitted to be agents to, or to farm the lands of any protected Prince or State in India. If any ſervant of the Company, civil or military, ſhould invade, or make war on the territory of any native power, without having an order, in writing, under the hands of the Governor-general and Council, upon his being convicted, before the Supreme Court of Judicature, or Mayor's Court, or Competent Court, in an inferior ſettlement, he was to be liable to a penalty *. No protected native Prince

* The penalty is not ſpecified in the bill.

was

was to be permitted to have Princes dependent on him or engaged for payment of tribute, or for furniſhing him with quotas of troops, otherwiſe than ſuch dependent Princes ſtood chargeable, at a period to be ſpecified; theſe ſupplies of troops were not to be required of them, without the orders of the Governor-general and Council of Bengal, or Preſident and Council of any other principal ſettlement. The ſucceſſion to the territories of theſe protected native Princes was to be regulated, according to the laws of the country, and to the faith of treaties. No protected native Prince was to be permitted to rent, or to take any leaſe of lands from the Company; nor were they to be permitted to reſide, for more than a limited time, in any of the Company's ſettlements, unleſs, when expelled from their own dominions, they took refuge in thoſe of the Company.

None of the Company's ſervants, civil or military, were to be permitted to borrow or lend money, or to farm lands or revenues, or to be concerned in any tranſaction of commerce, with any protected or other Prince or State, and if convicted of ſuch offence, to be liable to a penalty*. No protected native Prince, or State, was to be allowed to diſpoſſeſs any ſubordinate Prince, Zemindar, or Land-holder, or to encreaſe the rent, or tribute paid by them, beyond what had been paid at a year to be ſpecified. All diſpoſſeſſed native Princes or Sovereigns were to be reſtored. Neither the Nabob of Arcot, nor the Rajah of Tanjore, nor any

* This penalty is not ſpecified.

CHAP. I. other protected native Prince in India, were to be permitted to assign or mortgage or pledge, his territories, or the produce or revenue of them, to any British subject; and if such assignments had been made, they were to be recovered by such native Prince from the person who had received them, or from his representatives: nor was it to be lawful for any British subject, to take any kind of payment from a native Prince for a debt then due, (except such debts had been consolidated, in a year to be specified, allowed by the Directors, and ordered to be recovered) until proof should be brought to the satisfaction of the Commissioners, that the debt was fairly and *boná fide* contracted. The Commissioners were enjoined to enquire into the foundations of the disputes between the Nabob of Arcot and the Rajah of Tanjore, that they might be settled upon the basis of the treaty 1762, and to transmit orders to that effect to the Governor-general and Council, and to the President and Council of Fort St. George. The Polygars were to be restored. The controuling power of the Governor-general, &c. over the other Presidencies, confered by the thirteenth of the King, was to be confirmed, and to extend to all negociations and cases whatever, with powers to suspend the members of these Presidencies, and to transmit the case, with the reasons, to the Commissioners. Even, in a case, where a doubt might arise, respecting the extent of this power, the subordinate Presidencies were to submit to it; a reservation, however, was made in favor of Madras and Bombay, in the event either of hostilities being commenced by the Mahrattahs, or other neighbouring nations,

tions, or of imminent danger being apprehended from them. In ſuch caſes, powers were to be given to theſe Preſidencies to commence hoſtilities, or to make alliances with Indian Princes, for the purpoſes of warding off the danger; but even in ſuch event, a reſervation was to be made, that alliances ſo formed ſhould be approved of by the Governor-general and Council. No ſervant of the Company, from the Governor-general downwards, nor any Agent of the Company, nor the Agent of any native Prince was to be eligible as a Member of Parliament, 'till a certain ſpecified time after he had quitted the Company's ſervice, or 'till ſuch time as it ſhould be declared that no proſecution could be commenced againſt him. If ſuch proſecution had been commenced, it was to be terminated in a limited time, unleſs it ſhould appear, that the delay had been at the requeſt, or through the default of the party proſecuted. All crimes and offences againſt this act, were to be matters of proſecution in the Supreme Court of Calcutta, or in the Mayor's Court, or in the Court of King's Bench, or in any court in this kingdom, which might be eſtabliſhed for the cognizance of any ſuch crimes or offences committed in India; and, in caſes where the puniſhment ſhould not be ſpecified by this act, the courts in which the conviction ſhould take place, were to have the power of appointing ſuch fine or impriſonment, or both, as they might think proper (the utmoſt extent of which, however, was to be ſpecified), and they might ſuperadd the ſentence of incapacity of ſerving the United Company.

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Objections made by the East-India Company against these propositions passing into a law.

As it seemed proper, when bringing under review the propositions, which regarded the domestic arrangement of the Company's affairs, to state the objections which the Company made to their passing into a law, the same method may be followed in stating those which they offered against the proposed administration of their foreign affairs.

1. The Company, in the first place, admitted, (notwithstanding all the regulations in the Act, the thirteenth of the King,) that still numerous defects might be discovered in the existing system of their foreign governments in India; but maintained at the same time, that these evils could only be remedied, during the period of their charter, by new and more efficient regulations; and to these, they would be ready to pay the most implicit obedience. However proper, they contended, the proposed system might be, upon the suppositions, that our Indian provinces had been acquired by an absolute conquest, and not obtained by treaties founded on success in war; or upon the supposition, that the provinces were inhabited by colonies sent from this country; it certainly would be inexpedient, if not impracticable, to establish it, when the actual relation of Great Britain to the natives of India, was taken into consideration.

If the armies of the East-India Company had gained victories, their foreign governments had found it expedient to enter into the most solemn treaties with the nominal and subsisting

ſubſiſting powers in India; and had not only in theſe treaties, but by their ſubſequent conduct, pledged the honor and faith of the Britiſh nation, to maintain the eſtabliſhed ſyſtem of Mogul government, and to preſerve their ancient inſtitutions to the natives. Some of the Sovereigns, as the Mogul himſelf, had nothing to convey to us, but the prejudices of the people; others of them had diſtricts to yield to us, and others of them had Sovereignties which they had lately aſſumed or uſurped, to participate and to divide with us. Though the fabric of the Mogul government had fallen, ſtill the powers of all theſe deſcriptions were ſheltering themſelves among its venerable ruins, and, with ſilent, but watchful feelings, looking upon them as ramparts, behind which, ſhould we do more than make them our tributaries, they were ready to expire. Would it then (ſaid the Company) be prudent to force upon natives of India a ſyſtem which they could conſider in no other light, than as dictated by a conqueror? and would it be practicable, both to allow their ancient forms to remain, and yet to ſubject them to foreign inſtitutions, which, however excellent in themſelves, they could not underſtand? This ſyſtem, they aſſerted, was to make the ordinances and regulations of the Governor-general and Council, after having been tranſlated into the Perſian and Hindoovee languages, the ſupreme law for the natives *; it went to prohibit the dependent native Princes from levying duties be-

* See clauſes 4th and 5th.

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yond a fixed amount, or to farm any land for more than the ſum it had been let for at ſome preceding period*; it was to controul theſe dependent native Princes in the exerciſe of their authority over their own inferior dependents, and yet it was to make the Zemindars and Polygars, in a meaſure, independent of their ſuperiors;† it was to prohibit the native Powers to aſſign any territory, or produce, or revenue from it, in payment of debts to Britiſh ſubjects;‡ and not to allow them to reſide in a Britiſh province, unleſs driven from their own dominions, they came to take refuge in ours;§ it was to prohibit the dependent native Princes from making offenſive or defenſive alliances with other native Princes, or from ceding poſſeſſions to, or receiving poſſeſſions from the Company, without orders from England, and it was to preclude the native dependent Princes from diſpoſing of their ſovereignties by will, according to the cuſtoms of the country||: It was, in one word, they added, to retain the names and forms of the Mogul government, and yet totally to alter its ſpirit and arrangements.

Upon this ſubject of foreign government, the Company farther argued againſt the general tendency of theſe propoſitions; that this ſyſtem would place the Zemindars in a ſituation to make an immediate reſiſtance to the native

* See clauſe 25th. † See clauſes 23d, and 25th.

‡ Clauſe 26th. § Clauſe 24th. || Clauſes 8th, 9th, 14, 15, 23d.

Princes

Princes their ſuperiors; and, in a ſhort time, perhaps, enable them to attack the Company: It was to give an apparently extenſive power to the Governor-general, and yet, in the event of war, appearing neceſſary, to allow the council, to clogg or ſtop the wheels of his adminiſtration: It was to veſt the ſubordinate preſidents with like powers, and yet to introduce reſervations in whatever treaties they might conclude, which, upon all occaſions, would have rendered the very entrance upon theſe treaties impracticable.†

2. THE Company, in the ſecond place, objected to theſe propoſitions; that the ſyſtem which would ariſe out of them, would render the executive powers given to the Governor-general and Council, and Preſidents and Councils, inefficient; and the commercial truſt repoſed in the aſſiſtant Directors and Proprietors, nominal. It was to prohibit them from keeping up, or hiring out any Britiſh or native troops to ſerve in the countries of the independent Princes; without the conſent of the Commiſſioners;‡ and thus to leave the impreſſions made upon the minds of the inhabitants, by our firſt conqueſts, as the ſole means of preſerving their ſubordination to us, or their adherence to the moſt ſolemn treaties. It was to check the Court of Proprietors in the exerciſing of their judgment in any com-

† Clauſes 32d, 33d, 34th, 35th.

‡ Clauſe 9th.

CHAP. I. mercial plans, which might be offered to them, and to alter even the line of conducting business with the Indian manufacturer; and thus, give an opportunity to the other European companies to participate in a trade, of which England had, now, almost an exclusive possession.*

3. The Company, in the last place, objected; that their servants were to be divested of a part of their rights as British subjects. By this system, these servants might, upon accusation, be tried for crimes committed in India, though these crimes were charged to have been done out of the Company's limits; and yet the kind of evidence which was to acquit or to convict them, was not specified;† they were to be excluded from a seat in parliament, till they had been at home a sufficient time to perform a moral quarantine, though not prohibited from having a vote on the election of a member of Parliament‡. Such circumstances would, in future, render the service of the East-India Company dishonourable; though, in its annals would be found some of the most distinguished soldiers of the eighteenth century.

Effect of these objections upon the Public opinion.

Whether these objections to the propositions contained in both the bills, and whether the reasonings in support of them were well or ill founded, time has enabled the

* Clause 12. † Clause 21. ‡ Clause 36, 37.

Public

Public to judge. At the period, however, when they were made, they had their effect, as both bills were laid aſide. The riſe and tendency may eaſily be accounted for, from the general impreſſion which the Public at that time felt, that ſtrong and deciſive meaſures were required in the adminiſtration of our Indian affairs.

Mr. Pitt's bill propoſed in 1784.

A VERY ſhort time only had elapſed, when a plan was brought forward by Mr. Pitt, with the general object of continuing to the Company the rights which they held under their charter; and, at the ſame time, of introducing ſuch regulations as ſhould more directly connect the adminiſtration of Indian affairs with the executive government. The propoſitions comprehended in his plan, are introduced with the obſervation, that they were intended for the better government and ſecurity of the territorial poſſeſſions of this kingdom, in the Eaſt-Indies. For this purpoſe he propoſed, that a Board of Commiſſioners for the affairs of India ſhould be eſtabliſhed, to conſiſt of His Majeſty's Principal Secretary of State for the home department, the Chancellor of the Exchequer, and a certain number of the Privy Council, removeable at His Majeſty's pleaſure: of this Board the Secretary of State ſhould be preſident, in his abſence the Chancellor of the Exchequer, or, in the abſence of both, the ſenior Commiſſioner; that the Preſident ſhould, upon a diviſion, have the caſting vote; that this Board ſhould have full authority and power, from time to time, to check, ſuperintend,

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and controul, all acts, operations, and concerns, relating to the civil and military government, or revenues of the territories and possessions of the East-India Company; that it should be attended by a secretary, to be named by the Secretary of State, and subject to dismission at the pleasure of the Board; that the duties of this secretary should be, to enter on the records all proceedings whatever of the Board; that the Commissioners should take an oath to "give their best advice and assistance for the good "government of the British possessions in the East-In-"dies; and to execute the several powers and trusts "reposed in them, according to the best of their skill "and judgment, without favor or affection, prejudice or "malice, to any person whatsoever." That the Commissioners were to be informed, by the Directors, of all the transactions of the Company, in respect to the management of their concerns in the East-Indies; to have access to all papers, and to be furnished with such extracts or copies, as they might from time to time require. That the Directors were to furnish to the Commissioners, copies of their minutes, orders, and resolutions; and copies of the orders and proceedings of the general and special courts of Proprietors, within a certain number of days after the holding of such courts. They were also to furnish the Board with copies of all dispatches received from their servants in India, and with copies of all letters, orders, and instructions relating to the civil or military government, or revenues of the British possessions, proposed to

to be ſent either to His Majeſty's or the Company's ſervants in the Eaſt-Indies, a certain number of days (to be ſpecified) before ſending off theſe diſpatches. That the Directors were to be governed and bound by ſuch orders as they ſhould receive from the Board, touching the civil and military government and revenues in India. That the Commiſſioners were alſo, within a ſpecified time, to ſignify their approbation of diſpatches propoſed by the Directors, or to aſſign the reaſons of their diſapprobation; and that the Directors were to ſend off the orders and inſtructions, ſo approved or amended, to their ſervants in India. No orders or inſtructions were to be diſpatched, by the Directors, to India, until they had been communicated to the Board. If the Board ſhould at any time ſend any orders which, in the opinion of the Directors, did not relate to the civil or military government, or to the revenues, that then they might apply to His Majeſty in council, whoſe deciſion was to be final and concluſive.

That, in the event of a vacancy in the Council of Fort William, the Directors ſhould not fill it up; but, after this bill had paſſed, the ſupreme government ſhould conſiſt of a Governor-general, and a ſpecified number of counſellors only; and in like manner the preſidencies and ſettlements of Fort St. George and of Bombay. That the Governor-general and Preſidents ſhould be in the nomination of the Court of Directors, ſubject to the approbation of His Majeſty. If ſuch approbation ſhould not be given, then the Court of Directors ſhould proceed to nominate

CHAP. I. minate and appoint ſome other perſon to theſe offices. If, within a time to be ſpecified, the Court of Directors ſhould not ſupply ſuch vacancies; that then His Majeſty, under his ſign manual ſhould have the power of nominating and appointing to them. That His Majeſty ſhould have the power of nominating and appointing the commanders in chief in the different preſidencies and ſettlements, or of appointing ſucceſſors to them, and alſo the power to remove or recall the Governor-general, or any member of council, or the governors and members of council of the ſubordinate preſidencies, ſignifying the ſame to the Court of Directors, to the intent that a new nomination might take place. That the commanders in chief in the preſidency of Fort William, and in the ſettlements of Fort St. George and Bombay, ſhould have a voice and precedence in council, next after the Governor-general and Preſidents; that in the event of a reſignation of the governors, members of council, or commanders in chief, it ſhould not be deemed to be legal or valid, unleſs made by an inſtrument in writing, under the hand and ſeal of office of the perſon reſigning.

THAT no order or reſolution of the Court of Proprietors ſhould be available, to revoke or reſcind any order of the Directors, after ſuch order ſhall have received His Majeſty's approbation. That all clauſes in preceding acts of Parliament, or charters of the Company, contrary to the propoſitions in this bill, ſhould be diſcontinued, and that

that this act ſhould be in force for a number of years, to be ſpecified.* CHAP. I.

Objections againſt its paſſing into a law.

As the propoſitions in this bill originated in reſolutions which had been approved of by the Court of Proprietors, no objections were made to it by the Company. It left their commerce entirely under their own management, and introduced only a controul over whatever reſolutions they might take reſpecting the civil and military powers in India, and the management of a revenue that was connected with their trade. The only objections which were offered to it were, that the plan in itſelf would be inefficient, as it left the whole power in the hands of the Company's ſervants abroad; that it had made no proviſion for the natives, and in particular, none for reſtoring their poſſeſſions to the Zemindars; and that it threw too great a degree of influence into the hands of the executive power, by giving to it the right of appointing to the firſt military, and of approving the appointments to the firſt civil offices.

Anſwers made to them.

In anſwer to theſe objections, it was ſaid, that it was impoſſible to give a greater degree of efficiency to the foreign governments, without infringing on the privileges which the Company held under their charter, and that all that was practicable, was *regulation*, not a *new ſyſtem*; that with reſpect to the tenures of the Zemindars, we were not, as yet, ſufficiently apprized of the nature of them, to pre-

* See the bill as printed for the uſe of the Commons.

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Effect of the whole on the Public opinion.

Though the propoſitions contained in this bill were laid aſide by the Commons, and though the reaſonings upon them are now only of importance, in ſo far as they may enable the public to form a broad and permanent ſyſtem for Indian affairs, they had the effect to eſtabliſh the principles; that an agreement made with Parliament, for a valuable conſideration given to the public, upon which a charter had been granted by the King, transfers real rights to the holders, which muſt continue to be good, and cannot be taken away, unleſs the conditions upon which the contract had proceeded ſhould have been violated; that an acceſſory to the property, which ſuch a charter had conveyed, muſt continue with the holders of that

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that charter during their term; but if ſuch acceſſory ſhould be territory, whether acquired by treaty or by conqueſt, it is, by the laws of this realm, the property of the public, and the holders of it, in their adminiſtration of ſuch property, may be placed under the controul of the executive power, reſponſible to Parliament.*

* Parliamentary Regiſter 1783-4. vol. 12. p. 637.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

CHAP. II.

REVIEW OF THE MEMOIRS AND PLANS, FOR THE FUTURE ADMINISTRATION OF THE BRITISH POSSESSIONS IN INDIA, AND REGULATION OF THE TRADE TO THE EAST-INDIES, WHICH HAVE BEEN PROPOSED, SINCE THE ESTABLISHMENT OF THE BOARD OF COMMISSIONERS FOR THE AFFAIRS OF INDIA.

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 checked;

checked; with the Measures by which it was proposed, to remove the force of this Objection.—Third Objection, arising from an apprehended Loss of the present Revenue, paid to the Public by the Company; with the Measures proposed for securing to it the same Amount—Scheme for continuing the exclusive Privilege of the Company to the Trade to China;—Reasons for embracing this Scheme, arising from the Nature of the Trade, and from the Character of the Chinese;—from the Injury which the British Trade to China might sustain, if the Efforts making by the Company, to render the Circuit of their Trade wider, should be stopped.—Conclusion for a Monopoly in the China Trade.—Plan proposed to be submitted to Parliament, for the Establishment of these Systems of Government and of Trade.—Principles upon which this Plan proceeded;—Propositions comprehended in it;—Opinion suggested in the conclusion of the Memoir.—Application of these Principles to a proposed System of Revenue and Finance;—general Object of this Plan.—Abstract of the Amount of the Revenues at home *and* abroad *as applied to the Claims of the Company on the Public.—Substance of the Observations made on the Amount of the Revenue* at home;—*Opinions of the Authors on this Subject.—Remedies proposed by them to remove the Difficulties which might occur in the final Arrangement of their Plan.—Abstract of the Amount of the Revenues* abroad, *as applicable to the Claims of the Company on the Public.—Estimated Extent of these Claims—Result of the Whole of these Observations, suggesting;—First, a Doubt respecting the Propriety of separating the Revenue from*

from the Trade;—Second, a Doubt respecting the Effect of this Separation on the Constitution of the British Government;—Third, a Doubt respecting the future Prosperity of the Trade, if shifted from the present Plan; (Consequence arising from examining the Foundations of this last Doubt;)—Fourth, a Doubt whether, upon this Plan, the Debts of the Company could be discharged, and the expected Compensation given?—Termination of these Doubts in a Plan for vesting the State with the Territories, and leaving the Trade, under an exclusive Privilege, to the Company.—Preliminary Question respecting the Buildings which would be required for Government, and those which must be retained for the Trade, with the Answer.—Remark upon the Answer given to this Question.—Second Question respecting the Sum which would be required to purchase these Buildings from the Company, with the Answer.—Third Question respecting the Sum which the Company would ask, as the Value of their Military Stores, with the Answer. Fourth Question respecting the Offices to be held under Government, and under the Company, with the Answer.—Remark on this Answer.—Fifth Question, respecting the Number of Civil and Military Supernumeraries, with the Answer.—The Result of these Enquiries was, that this Plan, in the present Circumstances, was impracticable.—The last Plan, which has been proposed, was, to renew the Company's Charter, and to render the controuling Power more efficient.—General Reasons assigned for adopting it.—Variations from the present System proposed, viz.—To new model the Court of Directors;—to open the export Trade to India;—to new model the Army;

Army; to fix and define, more precisely the Powers of the India Commissioners, and of the Court of Directors.—Remarks on the probable Effect which these Alterations would have on the Responsibility of the Court of Directors; and, on the proposed Duties of this Court.—Remarks on the proposition for opening the Export Trade to India.—Remarks on the proposed Arrangement of the Army.—Remarks on the proposed Connection between the Executive Government, and the Court of Directors, as it might affect the Constitution of Great-Britain, or the Interests of the Company.—The End proposed in this Review of Plans. CHAP. II.

AS the public attention had been directed to the consideration of Indian affairs, by the successive plans which had been offered to the Legislature, for introducing order and system into the administration of the Asiatic interests of Great Britain, one of the first acts which passed in the Parliament that met in May 1784, was, "An Act for the better regu-"lation and management of the affairs of the East-India "Company and of the British Possessions in India, and for "establishing a Court of Judicature, for the more speedy "and effectual trial of persons accused of offences com-"mitted in the East-Indies."

Abstract of the Act 1784, establishing the present regulations, under which Indian affairs are administered.

As this Act, with some few amendments, constitutes the present system of Indian affairs, it may be proper to

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point out the principle upon which it proceeded, and the regulations which it eſtabliſhed, that we may more fully diſcover the ſources of thoſe improvements which have been ſuggeſted as neceſſary and expedient, when the ſubject of the Company's Charter ſhall come under the review of the Legiſlature.

The principle upon which this bill proceeded, was, that during the remaining years of the Company's Charter, Parliament, for the general advantage of the empire, ſhould have the power of ſuperintending and controuling the management of their affairs in the Eaſt-Indies, but leave with the Directors and the Proprietors the enjoyment of their exiſting privileges. With this object, His Majeſty is empowered to appoint ſix Privy Counſellors to be Commiſſioners for the affairs of India, of which, one of the Secretaries of State is Preſident, and in his abſence, the Chancellor of the Exchequer, and in the abſence of both, the ſenior of the Commiſſioners, according to the date of his appointment. Three of the Commiſſioners conſtitute a board. This board is empowered to ſuperintend, direct, and controul all acts, operations, and concerns, relating to the civil or military government, or revenues of the Britiſh territorial poſſeſſions in the Eaſt-Indies. The Commiſſioners hold their appointments during His Majeſty's pleaſure. The Secretaries and other officers of this board, are in the nomination of the Preſident. The Commiſſioners take an oath to "give their "beſt advice and aſſiſtance for the good government of the "Britiſh poſſeſſions in the Eaſt-Indies; and to execute the ſeveral

" ſeveral truſts repoſed in them, according to the beſt of " their ſkill and judgment, without favor or affection, pre-" judice or malice, to any perſon whatſoever." The officers of the board are to take ſuch oath of ſecrecy as the Commiſſioners ſhall direct. The acceptance of this truſt does not diſqualify the Commiſſioners, or the Secretary, from being Members of Parliament. They having acceſs to all the records and papers belonging to the Eaſt-India Company; and the Court of Directors are required to deliver to them copies of all reſolutions, orders, minutes and proceedings of their own, or of the Court of Proprietors, in ſo far as relates to the civil or military government and revenues of the Britiſh territorial poſſeſſions in India, within eight days after the holding of ſuch courts; copies alſo of all the diſpatches which the Directors, or the ſecret Committee may receive from their ſervants in the Eaſt-Indies, are ſent to the Commiſſioners immediately after the receipt of them. Copies in like manner of all letters, orders and inſtructions propoſed to be ſent to their ſervants in India, are laid before the board, who are to return the ſame within fourteen days, ſubſcribed by three of the members, ſignifying their approbation, or ſuch alterations as they think expedient, with their reaſons for ſuch alterations. Theſe orders are forthwith diſpatched, in their amended and approved form, to the Company's ſervants in India, who are to pay obedience to them. The Court of Directors are not to ſend any orders to their ſervants in India, without the approbation of the Commiſſioners. And if the Commiſſioners ſend orders or inſtructions to be diſpatched for India, or alter thoſe propoſed by the Directors, ſuch orders are to be forwarded forthwith,

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CHAP. II. unlefs, upon a reprefentation, the board fhall think it expedient to vary or to change fuch inftructions. It is referved, however, to the Directors, on receiving orders not connected with the civil and military government and revenues, to appeal to His Majefty in Council. In all matters requiring fecrecy, fuch as levying war or making peace, treating or negotiating with the native Princes or States of India, the orders of the Board may be addreffed to the fecret Committee of the Court of Directors, who, without difclofing them to the Court, are to forward them to the Governments or Prefidencies abroad. In return, thefe Governments fend, under their feals, their anfwers to the fecret Committee, which are forthwith communicated to the Commiffioners. The fecret Committee is eftablifhed as a part of the domeftic government of the Company, and confifts of three members of the Court of Directors. The duties of this Committee are to tranfmit the orders above fpecified to the governments in India, with duplicates and orders figned by themfelves, to carry the fame into effect. The Commiffioners do not nominate any of the fervatns of the Company.

Having thus fpecified the manner in which the executive powers, formerly vefted in the Company, are exercifed jointly by the Directors and by the Commiffioners, the act proceeds to new model the foreign governments: That of Bengal confifts of a Governor-general and three Counfellors; the Commander in Chief of the Forces was to have precedence in Council next after the Governor-general. The governments of Madras and Bombay are each vefted in a Prefident

ſident and three Counſellors, appointed by the Directors. The Governors in each Preſidency have the caſting vote. His Majeſty, by a writing under his ſign manual, or the Directors, by a writing under their hands, may recall any Governor-general, or other officer civil or military, from India; intimation of ſuch recall, when made by his Majeſty, being given within eight days, to the Court of Directors. Vacancies are filled up by the Directors from the covenanted ſervants of the Company, except in the offices of Governor-general, Preſident of Fort St. George and of Bombay, or of Commanders in chief; to which the Directors are at liberty to nominate any other of His Majeſty's ſubjects. The Commanders in chief, however, do not ſucceed to the office of Governor-general or Preſident, at Fort William, Fort St. George, or Bombay, unleſs ſpecially appointed to the ſucceſſion by the Directors. If the Directors neglect to ſupply ſuch vacancies, His Majeſty may do it; but, in this caſe, the power of recall is in His Majeſty only. It is left with the Directors to appoint eventual ſucceſſors to the members of the different governments, or to the Commanders in chief, under the preceding limitations. In caſe of the members of council being reduced to two, the ſenior ſervant of the Company ſucceeds, till a nomination is made by the Directors. The reſignation of theſe officers muſt be communicated in writing. The orders of the Directors, upon this and other ſubjects, when approved of by the Board of Commiſſioners, cannot be revoked by the Court of Proprietors.

THE

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The Governor-general and Council of Fort William, have a controul over the other governments belonging to the Company, in all points that relate to the country powers, or to war or peace, or to the application of revenues, or to ſuch other points as may be ſpecially referred by the Court of Directors to them; and, in general, their ſuperintendance extends to all caſes, except when a ſubordinate preſidency may have received poſitive orders or inſtructions from the Directors, or from the Secret Committee, repugnant to the orders or inſtructions of the Governor-general and Council.

The bill next contains rules for the conduct of the ſeveral Boards abroad. They are firſt to proceed to the conſideration of ſuch queſtions and buſineſs as may be propoſed by the Governor-general or Preſidents, and then of ſuch matters as may be propoſed by the members of Council. The Governor and Preſidents may poſtpone or adjourn the diſcuſſion of buſineſs for forty-eight hours, but not more than twice, without the conſent of the Council, or of the member by whom the queſtion has been brought forward. The Governor-general and Council are prohibited from declaring war againſt any Indian ſtate or Prince, without the expreſs authority of the Directors or Secret Committee, except when hoſtilities have been commenced, or preparations actually made for the commencement of them, either againſt the Britiſh nation in India, or againſt dependants or allies of whoſe territories the Company have become guarrantees.

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In caſe of hoſtilities being commenced, war is not to be declared againſt any other Indian power than the aggreſſor; nor is the Governor to enter into a treaty for guarranteeing the poſſeſſions of any other ſtate, except ſuch ſtate engage to aſſiſt the Company in repelling ſuch hoſtilities. In theſe events the Governor-general and Council are to communicate full information of the ſame to the Court of Directors, by the moſt expeditious means, ſtating their motives and reaſons at large. The Preſidents of the ſubordinate ſettlements are to act in like manner, with reſpect to the levying war or entering into treaties, except in caſes of urgency, or where they have received orders from the Governor-general of Fort William, or from the Directors, or from the Secret Committee. All treaties, however, made by the ſubordinate Preſidencies, are to be ſubject, if poſſible, to the ratification or rejection of the Governor-general and Council. For diſobedience of ſuch orders, theſe Preſidents and Members of Council may be ſuſpended by an order from the Governor-general and Council, to whom they are to tranſmit copies of all acts in Council, with advice and intelligence of all tranſactions or matters which it may be material for the Governor-general and Council of Fort William to be inſtructed in.

The act then proceeds to give directions for inveſtigating and adjuſting the debts of the Nabob of Arcot, in ſuch manner as ſhould be conſiſtent with the rights of the Company and honor of the Nabob; as alſo for ſettling the claims between this Nabob and the Rajah of Tanjore; and further directs,

CHAP. II. directs, that an enquiry be inftituted into all cafes where complaints had been brought of the natives having been difpoffeffed of their lands, or oppreffed, that effectual redrefs might be afforded to them; and that methods might be devifed for fettling the tributes and rents, upon the principles of juftice and moderation; and, in fine, that the proportion which the landholders fhould pay to the Company, fhould be fixed according to the laws of India. The Directors are then enjoined to adopt meafures for retrenching expenfes, regulating promotions according to feniority, and ordered annually to lay before Parliament lifts of all offices in India, with the emoluments annexed to them. The age at which writers or cadets may be appointed, is fixed to be, from fifteen to twenty-two.

THE regulations for the Courts of Juftice follow thofe for the internal arrangement of the fettlements. All Britifh fubjects are declared to be amenable to juftice for acts done in India, by fubjecting them to Courts of Law, either in India or in Great-Britain. Servants of the Company, and Britifh fubjects, in general, are prohibited, under certain penalties, from receiving prefents from the natives. Difobedience to the orders of the Directors is declared to be a mifdemeanor at law, of which, making a corrupt bargain to obtain any office in India, is deemed to be an example. The Company cannot compound with, or releafe perfons convicted of extortion or other mifdemeanor in thefe courts, nor reftore them to the fervice.

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The bill then lays down regulations refpecting the revenue officers, who are to take an oath to difcharge their duty faithfully, and not to accept of prefents, &c. The Governor-general or Prefidents are authorized to iffue warrants, for fecuring perfons fufpected of illicit correfpondence, for committing them and bringing them to trial in India, or to fend them to England for trial. Precautions are next pointed out, for detecting perfons returning to Europe with fortunes illicitly obtained. Officers, civil or military, after the period of five years refidence in Europe, are not to return to India without confent of the Proprietors, except the excufe of ficknefs has been admitted by the Directors and Commiffioners.

The mode of forming a Court for trying Indian delinquents is next defined. The act requires, that within thirty days from the commencement of every Seffion, the Houfe of Lords fhall chufe, by ballot, twenty-fix or more members of their body, and the Houfe of Commons forty, or more, of theirs. The Speaker of each Houfe is to tranfmit fuch lift to the Clerk of the Crown in Chancery. Whenever a commiffion is to be iffued under the great feal, thefe lifts are to be delivered to three Judges of the different law courts, who, if the lifts fhall contain more than the above number of twenty-fix and forty, are to draw by lot within three days that precife number of each. They are then to give notice to the members fo chofen, to the party accufed, and to the Attorney-general, or other profecutor, of the time and place of drawing, by lot, the names of the members

CHAP. II. to be conſtituted commiſſioners for trying the information.

The names of the Members of either houſe returned, who ſhall not attend, in conſequence of notice, are to be tranſmitted to the Speakers, and the defaulters are to forfeit £.500 each. The ſenior Judge preſent is to act as Preſident of theſe Commiſſioners. No perſon holding a civil office under the Crown during pleaſure, or who ſhall have been a Director of the Company, or have held any employment under it, can be of this Commiſſion. The party to be tried has the liberty to challenge, or make exceptions to any thirteen of the Peers, or twenty of the Commoners, and the proſecutor has the like liberty to challenge any of the names, upon his aſſigning ſatisfactory reaſons to the Judges, or to the majority of them. The firſt four names of the Lords, and the firſt ſix of the Commoners not challenged by either party, are to be returned to the Lord High Chancellor, to be inſerted with thoſe of the three Judges, in a ſpecial commiſſion. The perſons ſo appointed are to meet within ten days, and to take an oath, that they will try and determine the caſe, to the beſt of their judgment, and according to evidence. And in caſe the number of names ſo drawn out, be reduced by challenges to leſs than four Peers and ſix Commoners, then the Judges ſhall certify the ſame to the reſpective Houſes of Parliament, who ſhall proceed afreſh to ballot the names to be inſerted in the new commiſſion, in the ſame manner as in the original one.

The powers of the Commiſſioners are to hear and determine every information, and to pronounce judgment according

cording to common law, for extortion or other misdemeanor, and to declare the person convicted incapable of serving the United Company. Seven Commissioners to make a quorum, to have the power of appointing a register, of issuing subpœnas for the attendance of witnesses, of sending for persons, papers, and records, of punishing prevaricators, of binding to recognizance all the goods of the principal party, at the time of entering into the same; and if the party be found guilty, and adjudged to pay a fine, the Attorney-general is to exhibit interrogatories before the Court of Exchequer, as to his estate and effects and if he refuse to answer, his whole estate, &c. shall be forfeited, and himself imprisoned at the discretion of the Court. To remove the difficulty of obtaining evidence, witnesses may be examined in India, by a writ of Mandamus, and their evidence transmitted to the Court of King's Bench, to be delivered by the Chief Justice of the King's Bench, or one of the Judges, to the Lord Chancellor, during some one of the three ordinary terms; depositions so taken and received are to be held by the Commissioners as legal evidence. Writings also received by the Court of Directors from India, and copies of writings sent by this Court to their servants in India, relative to the charge in the information, may be admitted by the Commissioners as evidence. At the prayer of the prosecutor, the Court of King's Bench may order an examination of witnesses upon interrogatories. Such trials, however, must commence within three years after the return of the party from India. The act concludes, that nothing contained in it shall affect the rights or claims of the Public or of the Company, to the territorial revenues and acquisitions in India.

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Alterations and improvements introduced by ſubſequent acts.

Such is the outline of the act of parliament, under which, Indian affairs have been adminiſtered ſince 1784. It may eaſily be ſuppoſed, that a bill of regulation on ſo extenſive a ſubject, would require alterations and improvements, as caſes occurred, which could not either be foreſeen or provided for, when the Commiſſioners were firſt entering on the diſcharge of ſuch important duties. It was experience alone which could point out either to the Commiſſioners for the affairs of India, or to the Court of Directors, the changes neceſſary to accommodate this new ſyſtem to practice, or to bring it to maturity. The intercourſe between the Secret Committee and the Board of Commiſſioners, and the new arrangements in the different boards, among which the buſineſs of the Preſidencies in India was divided, led to a correſpondence on the actual ſtate of the civil, military, financial, and political branches of Indian affairs, and to inveſtigations reſpecting the relation which the Britiſh provinces bear to the Indian powers which ſurround them. The reſult neceſſarily was, that alterations were required in many of the clauſes of the bill 1784, particularly in thoſe which regarded the politics in India, and in thoſe, which preſcribed the mode of proceeding in the trial of Indian delinquents at home.

The principal improvements on the regulations for the foreign government were introduced in 1786, of which the following is an outline.

The servants of the Company, whether in India or not, at the time of their nomination to be members of Council, are acquired to have been for twelve years resident in India, in the civil line of the Company's service. The clause respecting the succession of the senior servant to a seat in Council, should it be reduced to two, including the Governor, was repealed, and the Governor or Presidents vested with the power of selecting from the servants of the Company of twelve years standing, persons to succeed to such vacancy, if no provisional successor had been nominated by the Directors. The Commanders in Chief, in the different Presidencies are not, by virtue of such office, to have a seat in Council, though the Directors may appoint such Commanders to be Governors, Presidents, or Members of Council. The Governors or Presidents are to have the power of carrying any measure into effect, though the Members of Council should dissent; but after the reasons of their dissent have been heard and recorded, such Members are to sign the orders of the President, for the purpose of giving them full validity. The responsibility, however, in such cases, is in the Governor-general and Presidents, when they exercise this power. This power is not to be exercised by the successors of Governors or Presidents, unless they have been provisionally nominated by the Directors. Exceptions are made in the exercise of it, that it shall not extend to judicial cases, to the suspension of general rules or orders, or to the imposing of taxes or duties. All orders and proceedings are to be expressed, as made by the *Governor-general in Council*, or by the *Governors or Presidents in Council*. The orders of the

Governors

CHAP. II. Governors or Prefidents in Council are to be figned by the principal Secretary, or by his Deputy. Vacancies (under the degree of Counfellor) are to be filled up in the following manner. No office, the falary and emoluments of which fhould exceed £.500, is to be conferred upon any fervant, who has not been refident three years in the fettlement. For offices above £.1500 per annum, fix years refidence is required, of £.3000 nine years, of £.4000 twelve years; and to guard this arrangement ftill farther, no perfon is to have two offices, which, together, fhall exceed the above proportions, but under the like reftrictions.

To render the orders of the Commiffioners more efficient, when communicated to the Secret Committee, the act concludes with defining more precifely the duties of its members; they are each to take an oath "not to difclofe or "make known the orders or inftructions given them, fave "only to the members of the Committee, or to fuch perfons "as fhould be employed in tranfcribing or preparing the "fame," who in like manner were to take an oath of fecrecy.

By another act of the fame year, the Directors are vefted with the power of nominating the Governor-general and Council, upon their own authority.

It was, at the fame time, found neceffary to introduce a bill for explaining and improving the conftitution of the Court of Commiffioners for trying Indian delinquents. By this act each Peer may deliver a lift of twenty-fix Peers,

Peers, and each Commoner a liſt of forty Commoners, to the clerks of parliament, to be opened in preſence of their reſpective ſpeakers. Theſe liſts are to be referred to a Committee of each Houſe, who are to report the names of ſuch Lords and Commoners as are found in ten or more of the liſts. If ſuch names ſhall not amount to twenty-ſix Lords and forty Commoners, new liſts are to be delivered in for ſupplying ſuch deficiency, upon the ſame principle with the original liſt, till the number is compleated. Perſons holding offices under the Crown during pleaſure, perſons being or having been Commiſſioners for the affairs of India, or perſons being or having been Directors, or ſervants of the Company in India, are excluded from being nominated Commiſſioners. The party to be tried, and the proſecutor, may challenge thirteen Peers and twenty Commoners. The firſt five names of the Peers, and the firſt ſeven of the Commoners, which ſhall not be challenged by either party to be returned by the three Judges to the lord Chancellor, and to be inſerted, with thoſe of the Judges, in a ſpecial commiſſion, and to take an oath "that they will "diligently attend the trial, and hear and determine to "the beſt of their judgment, according to the evidence "which ſhall be given." Ten Commiſſioners, at leaſt, are required to try the information, and the majority are to decide. If the number be reduced to leſs than ten, a new commiſſion is to be awarded. Proviſions are then made in caſe any of the Commiſſioners ſhall be abſent; the Commiſſioners are veſted with the power of adjourning, and of appointing clerks and officers of court; a Judge is autho-

tized,

CHAP. II. rized, during the recess of Parliament, to award an attachment against a defendant, who also may surrender to a Judge out of court. A defendant not attached or not surrendering, may be prosecuted to judgment. After notice is given in the Gazette, judgment may be pronounced in his absence. The Commissioners are empowered to commit a defendant, till judgment is pronounced; as also persons for contempt or disturbances in court. Judgment is to be carried into effect by authority of the Court of King's Bench, and is not reversible by writ of error. Informations and pleadings are to follow the ordinary practice, until issue shall be joined; but the party is not to be deprived of any right he is entitled to by law. Informations may be entered in the Court of King's Bench, and fines recovered from the property of the parties in the East-Indies, when their estates in Britain are insufficient. Examinations, in India, before Courts of Justice, are to be sealed up in these courts, given to the agents of the parties, and delivered to the clerks of the Court of King's Bench. Persons resident in India are made amenable to the Courts of Judicature there, and civil and criminal jurisdiction given to the Governor and Council of Fort St. George, in the Courts of Oyer and Terminer, and to the Mayor's court at Madras. Persons returning from India are not to be required to deliver inventorie of their effects. Offences against the laws for securing the exclusive privileges of the Company, may be tried in the East-Indies. The powers vested in the Governors and Presidents of seizing unlicensed persons and ships are confirmed and defined; bonds executed in the East-Indies are to be held

held as evidence in Britain, and bonds executed in Britain, reciprocally in the Eaſt-Indies. CHAP. II.

From the ſituation of affairs in Europe, in 1788, it became neceſſary to explain more accurately the powers of the Commiſſioners reſpecting the extent of the European military force, which they might order to be ſupported by the revenues of India.

An act, therefore, paſſed, by which the executive power was authorized to defray, out of the revenues, the expenſes of a ſpecified number of European forces, but reſtricting the Commiſſioners from making any encreaſe of the eſtabliſhed ſalaries and allowances of any office in the ſervice of the Company, unleſs ſuch encreaſe ſhall be ſpecified in ſome diſpatch, propoſed by the Directors, and the reaſons be laid before parliament, thirty days before ſuch diſpatch ſhall be ſent out. This encreaſe to be added to the next liſt of eſtabliſhments laid before Parliament by the Directors. The Directors, within fourteen days after the firſt of February in every year, are to lay before Parliament an account of the produce of the revenues, the annual diſburſement of each ſettlement, the amount of the bond and other debts, and the intereſt paid on them.

In conſequence of the war with Tippoo Sultan, an act paſſed in 1790-91, empowering the Commiſſioners to ſend

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an additional number of European troops under ſimilar reſtrictions. And in the ſame year an act paſſed to enable Lord Cornwallis, as Governor-general, or his ſucceſſor in that office, to conclude treaties with any of the Indian powers, or to iſſue orders to the Governors and Councils of Fort St. George and Bombay, in the ſame manner as he could do in Council, at Fort William. The exerciſe of this power is limited to a ſpecified time, after the termination of the war; and is revokable by the Court of Directors, with the approbation of the Commiſſioners for the affairs of India.

Such is the preſent ſyſtem of Indian affairs; of which, the adminiſtration is veſted in the Directors, and in the Commiſſioners reſponſible to Parliament; and the commerce, farther than in its connection with the revenues, in the Directors; while a prompt and a diſcretionary power is given to the Governor-general and Council, reſponſible, for their own and for the proceedings of the ſubordinate Preſidents and Councils, to the Directors and Commiſſioners.

Various memoirs ſuggeſted for improving this ſyſtem.

It may eaſily be ſuppoſed, under this ſyſtem, and as the expiration of the Company's charter approached, that men with local information abroad, and in the actual diſcharge of offices under the Company, and that men who were connected with Indian affairs at home, would direct their attention to the formation of plans, calculated to improve the government of our Indian provinces and to place the

5 trade

trade to the Eaſt-Indies upon a new baſis. The opportunities afforded the ſervants of the Company in India, by the connections of the different preſidencies with the Aſiatic powers; the enquiries which were carrying on by the reſidents at the native courts, to ſtrengthen our alliances and extend our trade; the opinions which were forming upon theſe ſubjects in England; and the prevailing ſpeculations on Eaſtern commerce; all tended to ſuggeſt plans for new modelling the ſyſtem of Indian government and trade.

Mode of arranging them.

To bring the whole of this information into a ſimple order, we may, in the firſt place, ſtate the principles in which the whole of the memoirs, containing theſe plans and ſchemes, ſeem to agree; and next make a digeſt of them, in the order of time and of the ſubjects.

Principles admitted in all of them.

It ſeems to have been generally admitted, that the Public have a poſitive right to diſpoſe of the territorial poſſeſſions in India, and of the trade to the Eaſt-Indies, at the expiration of the preſent Company's term. That the Indian revenues can only be realized in Britain through the medium of the trade; that the Company muſt be left in a ſituation to diſcharge their debts; that it will have a claim upon the Public for the loſſes it may ſuſtain in relinquiſhing its ſettlements; that in the event of the territories being aſſumed by the Public, the Company will remain a body corporate, entitled, as well as His Majeſty's

 other

CHAP. II. other ſubjects, to carry on a trade to the Eaſt-Indies, and upon a joint ſtock: that all the ſubſiſting treaties which the Company have entered into with the native powers, muſt be conſidered as the acts of the nation, and be ſtrictly obſerved and fulfilled; and that the covenanted ſervants of the Company muſt not be left in a worſe ſituation than that in which they may be found at the expiration of the Company's charter.

Previous queſtion reſpecting the rights of the Company, as temporary and in perpetuity.

Before we proceed to give an account of the manner in which theſe principles have been applied to the ſubjects of Indian government, trade, and revenue, it may be proper to advert to the diſtinction in the Company's rights, which has been pointed out by the lawyers. They have aſked the queſtion, *What rights are the Company actually veſted with?* In examining this ſubject, they introduce a diſtinction between the rights which are *temporary*, and thoſe which the Company hold *in perpetuity*.

The *temporary rights*, they ſay, are chiefly thoſe to the revenues which the Company draw from the territories that have been acquired either in war, or by treaties with the native powers; the excluſive privilege of trading to India and China to March 1794; to have the ſums due to them by the Public repaid; and to adminiſter their own affairs both in India and in England, during the continuance of their charter.

The

The rights which the Company hold in *perpetuity*, are chiefly the following: To be a body politic and corporate, with perpetual ſucceſſion, and conſequently to have a title to purchaſe, acquire, or diſpoſe of property for value; to the poſſeſſion of the iſlands of St. Helena and Bombay, conveyed to them by the London Company, under parliamentary faith, and a royal charter; to their factories and ſtorehouſes on the peninſula of India, and in ſome of the iſlands in the Eaſtern ſeas; to the towns of Madras, Calcutta, &c. and to the diſtricts around them, purchaſed or acquired under the like ſanction and for the purpoſes of procuring the neceſſary proviſions for the maintenance of their ſervants; to Fort Marlborough, in the iſland of Sumatra, and to the rents of the diſtrict round it; to build fortifications for protecting their factories, to raiſe, pay, and employ land and ſea forces, within the limits of their trade; and to carry on a trade on their joint ſtock, though their *excluſive privilege* ſhould ceaſe and determine.

Though there can be no obſtacle from reaſonings on the temporary rights of the Company, to any ſyſtem of government, which may be propoſed; their *rights in perpetuity*, if good, would render it difficult for the Public, either to inſtitute a new Commercial Aſſociation, or to lay open the trade to the nation at large, with any effect. A new trading Aſſociation might be excluded from the principal ſeats of trade, by the Company exerciſing thoſe rights; and thence be forced to have recourſe to the Public for new ſeats of trade

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trade, which could not be eſtabliſhed but at an immenſe expenſe. Individual merchants might, for a like reaſon, have the ſame recourſe to the Public, which, in this caſe, muſt alſo be at the charge of more eſtabliſhments. This difficulty however, it is preſumed, is not inſurmountable. When the Company acquired its territories, it does not appear that it ſuppoſed itſelf to be poſſeſſed of ſuch rights; at leaſt, there is no evidence upon record, that the Proprietors entertained ſuch an opinion. When, in 1766-7, the Company made an agreement with the Public, no pretenſions to any ſuch rights were advanced. The very ſame ſilence upon the ſubject prevailed, when the Company made their agreement with the Public in 1773. It appears, however, that the Houſe of Commons were aware of theſe legal diſtinctions: for, in 1767, when they were forming their reſolutions reſpecting the rights of the Eaſt-India Company, they proceeded, upon the opinions of Mr. Yorke, then Attorney-general, and of Mr. Pratt, then Solicitor-general, "that all acquiſitions, territories, &c. made by "arms, or by treaty, by the ſubjects of this realm, do, "of right, belong to the ſtate."

Opinions ſuggeſted reſpecting the expediency of embracing a new ſyſtem of Indian affairs.

THOUGH the adoption of this opinion by the Houſe of Commons, may be conſidered to have done away the difficulty reſpecting the queſtion of right between the Public and the Company, it by no means is calculated to decide the more delicate queſtion of expediency; how far it would be proper in the ſtate, to exerciſe this right, or practicable to do ſo, and

and yet render the revenues, which muſt paſs, through the medium of trade, productive in Britain? CHAP. II.

On the firſt view of this ſubject, the authors of different memoirs thought, that the territories and revenues ought to be taken into the hands of government, the amount be applied to defray the civil and military charges, and the reſidue remitted to Britain, through the medium of trade. On a more full conſideration of the facts, however, it was found, that the revenues and the trade, were ſo intimately blended with each other, that the credit which ſupported the laſt, would be weakened, if the influence, ariſing from the management of the firſt, ſhould be removed from the Company.

Application of the preceding principles to the eſtabliſhment of a plan of Indian government connected with trade.

Upon the baſis of this concluſion, as well as of the preceding principles, it was propoſed to introduce a ſyſtem which ſhould have for its object, a better plan of government in India, than that which at preſent ſubſiſts, and yet ſhould connect it with the trade. In this plan the following method of ſettling the government was ſuggeſted; that Parliament ſhould declare His Majeſty's ſovereignty, over all the Britiſh poſſeſſions in the Eaſt-Indies; that the adminiſtration of them ſhould be veſted in the executive government, with a reſponſibility to Parliament; that the Crown ſhould have the power of appointing the Governor-general, and Supreme Council, the Preſidents and Councils in the ſubordinate ſettlements, the Commanders

in

CHAP. II. in Chief in each of the Prefidencies, the Supernumeraries for the civil and military departments, and particularly Officers in the revenue branch; that the Supreme Government fhould continue in the Prefidency of Bengal, to which the other Prefidencies fhould make reports, that the whole might be one great eftablifhment; that all the forts, garrifons, military ftores, &c. fhould be declared to belong to the Crown, a reafonable compenfation being allowed to the Company for the value of them; that the revenues, in India, fhould be under the adminiftration, and at the difpofal of the controuling power, in Britain, with a refponfibility to Parliament, as it would be abfurd to place the revenue in any other hands, than thofe to which the fovereignty was to be entrufted; that the Company fhould be relieved from their debts, beyond the fair amount of their affets, and be entitled to pay off one million of their bond debt, out of the profits of their trade; that the dividend, upon the capital ftock of the Proprietors, fhould be eight per cent. annually; that an eafy mode fhould be devifed, by which the Creditors of the Company abroad might raife money on their fhares in the debt of the Company, which was to be funded; that a mode not lefs fimple and advantageous fhould be devifed for enabling the fervants of the Company to remit their fortunes to Britain; that on the bafis of the 22d of Geo. II. and 26th Geo. III. the fecurity of the annuity paid, by the Public to the Company, fhould reft on the faith of Parliament, as pledged for it.

In illuſtration of this plan, and to remove the objections which might be made to it, the ſubſtance of the obſervations offered to illuſtrate this plan, is nearly as follows:

First objection to the adoption of this plan, ariſing from the ſubſiſting relation between the controuling power and the Directors, with the reaſoning offered to remove it.

1. It may, in the firſt place, be difficult to ſay, whether the plan of controul by a Board of Commiſſioners, is, in itſelf a perfect one; and in the next place, to find upon a general view of all the circumſtances of the caſe, (viz. the trade, the revenues with which that trade is connected, the effect which thoſe revenues have had on the credit and influence of the Company, the danger of weakening the one, or diminiſhing the other) whether any, but the plan of controul, be practicable.

A single fact is conſidered to be deciſive upon this ſubject; that the revenues of the Indian provinces can only be realized in Britain, through the medium of commerce. If the controuling power is to continue to be reſponſible, it ought to be made active and abſolute: to give it either of theſe characters, the revenues muſt be placed under the ſole management of the Board of Commiſſioners, and the ſurplus of them afforded to the Company, for the purpoſes of their inveſtment; in return, the Company ought to give bills on England for the amount. If this ſyſtem be embraced, then the correſpondence on the ſubject of revenue, and that on the ſubject of trade, ought to be placed under two diſtinct bodies; the former ſhould be entruſted to the Commiſſioners for Indian affairs; the latter, to the Court of Directors; the Commiſſioners ſhould be under no

CHAP. II. obligation to communicate, or to explain the reafons of their conduct to the Court of Directors; and the Directors ought to be vefted with no title, to remonftrate or proteft againft the proceedings of the Commiffioners. It certainly would be imprudent, in many cafes, to communicate the meafures which Government may think it expedient, or neceffary to adopt, to a body fo numerous as the Court of Directors; and much more fo, to a body fo perfectly unqualified to judge of them, as the Court of Proprietors; at the fame time, it is reafonable and proper, that both fhould have every kind of fecurity, and all the information which can with propriety be given of the meafures which Government may think it expedient to adopt. For thefe purpofes, His Majefty might be vefted with the power of felecting, annually, three, four, or five, from among the Directors, to act as Affeffors to the Board. Through them all the political meafures, which in any way might affect the interefts of the Company, ought to pafs.

In any communications, however, to thefe Affeffors, the Board ought to be entitled to direct itfelf, by its own difcretion, without any title in the Affeffors, either to remonftrate, or to proteft. In particular, the Board ought to have the power of communicating fuch parts only of the difpatches, as they may think neceffary and requifite for the Affeffors to know, for their inftruction, in the management of the commercial part of the Company's concerns propofed to be left to the Directors.

WITH the view of ſimplifying this plan, the political correſpondence, or in general, whatever regards the civil and military eſtabliſhments abroad, and the management of the revenues, ought to be placed, entirely, in the Commiſſioners; while the commercial correſpondence ought to be left, wholly, with the Court of Directors. If it ſhould be ſaid, that the abſolute controul, propoſed to be given to the Board of Commiſſioners, would be introducing a principle repugnant to that upon which the acts of 1784 and 1788 proceeded; the anſwer is obvious; the caſes are different. Before the expiration of the Company's charter, they were veſted by an act of Parliament and a royal charter, with the management of their territories and revenues, and could not have been deprived of them without a breach of juſtice, and of parliamentary faith: after it, the Company will remain a body corporate, with the privilege to trade to the Eaſt-Indies upon their joint ſtock; but it will be in the wiſdom of the Legiſlature to determine, whether it will take the revenues into its own management, or, again, entruſt the adminiſtration of them to the Company, or whether it will again grant the Company the ſame excluſive privileges.

IT cannot, however, admit of any doubt, that if the Commiſſioners for India affairs are to be continued, the more active the controul given them, the more reſponſible will they become to the Public; and it can admit of as little doubt, that the Directors, who are to become Aſſeſſors,

CHAP. II. will form a ſufficient check upon any encroachments, which the Board might make upon the commercial proceedings of the Company.

Many queſtions will occur, relating both to the internal politics of India and to the relation which our poſſeſſions bear to thoſe of the other European powers, having intereſts in the Eaſt, which it would be unwiſe and improvident to ſtate to the Directors; more particularly, when (according to this plan) through their Aſſeſſors they would become poſſeſſed of every ſpecies of information, which could, in any way, promote their commercial proceedings.

Second Objection, ariſing from the difficulty of deviſing a mode of Government, after the relation of the trade with the revenues ſhould be diſſolved; with the reaſonings offered to remove it.

2. It may be difficult, in the ſecond place, to ſay what plan for the internal government of our Aſiatic poſſeſſions ought to be adopted, upon the ſuppoſition, that the political adminiſtration of them ſhould be disjoined from the management of the trade. Upon this ſubject the ſubſtance of the obſervations offered in illuſtration of the general plan, ſeems to be nearly as follows:

In 1781, it was the intention of government to aſſume the territories as the immediate patrimony of the Public, and to place the management of the revenues under the executive government. This idea was ſuggeſted, in conſequence of the opinion which has been already ſtated, reſpecting the rights of the Public to territories acquired by the Company. In order, therefore, to accommodate the plan which has been ſuggeſted to this legal principle,

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it was ſaid, that it might be proper to conſider the treaties which the Company had entered into with the Moguls, Soubahdars, and other native ſtates, as *fraudulent and colourable only*, His Majeſty's rights remaining unprejudiced. CHAP. II.

If this line of conduct ſhould be adopted, then an undivided ſovereignty ought to be aſſumed, and the diſtinctions of *Nizamut* and *Duannee* aboliſhed. This might be a ſimple, but, in the opinions of the moſt informed of the Company's ſervants, as detailed in the preceding chapter, it would be a hazardous experiment. If the name of King was to be ſubſtituted for that of Mogul, or, even for that of Soubahdar, an opinion would naturally ariſe among the Hindoos and Muſſulmen, that ſomething more violent was meant than a mere change of names. The characters of the natives require the moſt delicate attention, and no feature in them is ſo ſtrong as their attachment to their eſtabliſhed opinions. Theſe muſt neither be ſhocked nor trodden down; for, in Mr. Haſtings's language, "the "touch of chance, or the breath of opinion, might diſ-"ſolve the Britiſh power in India."

Presuming, therefore, that this will be admitted as a principle, the author of the plan, which has now been ſketched out, recommends; that, in conſiſtency with it, the Governor-general ought to be veſted with abſolute power in India, and poſitive reſponſibility at home; that even if the ſovereignty of the King ſhould be declared, the name of His

Majeſty

CHAP. II. Majeſty ought never to be uſed in criminal proceedings, as ſuch a circumſtance would, naturally, appear a very violent intruſion on the rights which had been ſecured to the natives by treaties with the Company: that it would be more prudent, in this particular caſe, to employ the name of ſome of the natives themſelves, who might be raiſed to a proper rank by the Governor-general; that it might be expedient, in the ſame way, not to uſe the name of the King, in proceedings in the civil courts of juſtice, as in theſe a ſimilar mode of meeting the opinions of the natives might be adopted. Still farther to conciliate the natives to this plan, the authors recommend, that, with the declaration of the ſovereignty of the King, a declaration of a general toleration in religion ſhould be publiſhed; and that the natives ſhould be left under the protection of their own laws, and not have the right to claim the benefit of Britiſh ſubjects, unleſs they reſided within the juriſdiction of the Supreme Court of Judicature.

Besides theſe more important conſiderations, the opinion, in theſe memoirs, is, that it would have a beneficial tendency, if the Governor-general ſhould be veſted with power to gratify either the vanity or ambition of the natives, by conferring on them ranks known and eſteemed in the country, and in a way that ſhould, at the ſame time, give them impreſſions, both of the liberality of the ſovereign, and of the intereſt which he himſelf took in rewarding their ſervices. The Governor might be empowered, for example, in the

the King's name, to confer the title and dignity of *Rajah* upon a *Hindoo*, and of *Nabob* upon a *Muſſulman*.

Third objection ariſing from the difficulty of arranging the patronage, with the reaſonings offered to remove it.

3. It might be difficult, in the third place, it was ſuggeſted, ſo to arrange the patronage abroad, as to prevent jealouſies or complaints of the abuſe of power. The ſubſtance of the obſervations on this ſubject, is as follows. The plan itſelf had propoſed, that His Majeſty ſhould be veſted with the power of nominating the Governor-general, Preſidents, Councils, and Commanders in Chief; and that all the other offices ought to be attained by ſeniority. To prevent the inconveniences which might ariſe from perſons being entitled to ſucceed to offices of truſt, for which they might not be qualified, it is recommended, that His Majeſty ſhould, in future, have the nomination of ſuch young men as may be required to ſupply vacancies in the civil and military departments, and that they ſhould be deemed ſervants of the King, and have their ranks as ſuch preſerved to them. That the Company ſhould have the nomination of all ſupernumeraries in the commercial department, and that ſuch ſupernumeraries ſhould have a diſtinct rank aſſigned to them. That the ſervants appointed by the King, ſhould be paid by government, and have the ſame allowances as they would have received, if they had continued in the ſervice of the Company. That the Directors ſhould be left to determine for themſelves, as to the number and pay of the ſervants whom they may employ in the commercial department. As the pay to be allow-

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ed to the covenanted ſervants of the Company in general, might not be adequate to their ſupport, and to promote the ſpirit of commerce, it might be expedient, to give them the privilege of trading *inward* and *outward*, on their own account. That it might be proper alſo, that the engagements of the civil and military ſervants ſhould ceaſe, in the lines in which they have been employed, the moment they come to be ſelected to fill an office in the political department. That the term *cadet* might be continued for the military ſupernumerary, but that ſome term, more defined than that of *writer*, ought to be adopted for civil ſupernumeraries. Conſiderable inconveniences having ariſen from the neglect or miſconduct of the Commanders of the Company's ſhips, in conveying diſpatches abroad, or in bringing them home, and alſo from charging unreaſonably for the paſſage of recruits to the different ſettlements, it might be proper to fix ſome regulation, by which to place Commanders of ſhips more immediately, in theſe reſpects, under the orders of the Commiſſioners.

Fourth objection ariſing from the actual ſtate of the Company's debt, with the expedients ſuggeſted to remove it.

4. It might be difficult, in the fourth place, to determine what compenſation the Company may be entitled to from the Public, on account of the debt with which they are loaded, and of the neceſſity there is for placing them in a ſituation to diſcharge it. Upon this ſubject, the ſubſtance of the obſervations is, as follows :

That the debts of the Company amounted, at this period, (excluſive of ſeveral large floating debts) to upwards

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of £.15,000,000, for the payment of which, the Company muſt be permitted to eſtabliſh a fund at home, and funds in their foreign Preſidencies. It was therefore propoſed that ſubſcriptions ſhould be received into their foreign funds, by way of loan, at eight per cent. That the outſtanding paper of the Company ſhould be accepted from the ſubſcribers, at par, and the books in India kept open till ſix crores of rupees, or ſix millions ſterling ſhould have been ſubſcribed. That the current revenues in India ſhould be the ſecurity to the ſubſcribers in theſe funds, for the regular payment of their annual intereſt, which ought to be diſcharged, in preference to every other demand, except the military charges, and the expenſes of collecting the revenues. If the exigencies of an exiſting war ſhould, at any time, render the payment of the intereſt impracticable, in ſuch a caſe, from the time it became due, it ſhould be held to be ſtock, bearing the ſame intereſt with the principal from which it had accrued; and, upon this plan, it might be expedient, that the government in India ſhould be veſted with the power of redeeming this ſtock, at par, upon giving three months public intimation to the holders of it. With the object of connecting this foreign fund, with the one which was ſuggeſted to be eſtabliſhed at home, it was propoſed, that ſubſcriptions ſhould be taken into this laſt, at four per cent; and that a trial might be made, whether ſubſcriptions might not be procured to it in India, by granting bills on the Company in London, at three hundred and ſixty-five days ſight. The authors of theſe memoirs ſeem to have perceived, that an unfavorable impreſſion might be made upon thoſe, who would otherwiſe

CHAP. II. be diſpoſed to lend their money to the Company, by the ſeparation of the revenues from their commercial funds; but are of opinion, that if we abſtract from the aggregate amount of the inveſtments abroad, the ſums received for bills and certificates on England, and from the ſale of goods exported from Europe, and the amount paid for ſtores and troops at home, we ſhould diſcover, from the remainder, what ſums had been applied to inveſtments out of the revenues; or, at all events, whether the Company were gainers or loſers by the connexion between the revenues and the trade. In Mr. Smith's account, formed in 1781, he ſays, that in fourteen years, from 1766 to 1780, the ſum contributed out of the revenues, for the purchaſe of inveſtments, amounted to £.3,622,969, of which £.2,169,400 was paid into the Exchequer, on the agreement of 1767, leaving to the Company £.1,453,569. Againſt this was placed £.5,069,684, expended by the Company, in the fifteen years war, from 1750 to 1765, ſo that in 1780, the revenues of India ſtood debtor to the trade £.3,616,215*. An account of this nature, accurately brought down to the lateſt period, it is ſuppoſed, would ſhew to what amount the revenues were then indebted to the Company, and whether it would be more or leſs than their available aſſets would fall ſhort of making ſatisfaction for their debts and capital ſtock; if more, then the deficiency ought to be funded on the credit of the revenues; if leſs, then the Company would have no reaſon to complain that the profits of their trade ſhould be united with their revenue in the payment

* See more full obſervations upon this ſubject in Chap. III.

ment of their creditors. Allowing all the weight to the objections which Mr. Haſtings had made, againſt funding the debt at the period at which his objections were offered, the memoir concludes, that Mr. Haſtings could not know, at that time, either the magnitude of the Company's debt in India, or foreſee the difficulty which was afterwards experienced in procuring bills, at a fair rate of exchange, on the Company at home. It was admitted, however, that the recommendation which Mr. Haſtings gave, of opening the Company's treaſury for the receipt of money, in exchange for bills on Europe, was proper and that this meaſure would have enabled the different Preſidencies proportionably to have extended their inveſtments. The reaſons which are aſſigned for this opinion, are, that the Britiſh ſubjects would be induced to lend their money to the Company, when making up their inveſtments, inſtead of lending it to foreigners; and that the natives would be induced to lend their money to the Company, inſtead of placing it upon an inſecure mortgage, for a monthly intereſt. This laſt circumſtance would be another hold upon their allegiance, while punctuality in the payment of the intereſt would convince them of the ſtrength of the ſecurity, draw their hidden treaſures into circulation, and might tend, gradually, to incorporate them with the Britiſh traders. If it ſhould be ſaid, that this method of ſettling the debt of the Company, might prove a dangerous means, in the hands of a weak, or of a corrupted adminiſtration, becauſe they might abuſe their power of funding debts in India; the objection might be obviated, by reſtricting their power of funding to a limited ſum. If it ſhould alſo be objected, that it would be difficult to fix the rate

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As not only the ſecurity for their money ſhould be underſtood by the holders of ſtock, but the progreſſive management explained to them; it was farther propoſed, that regular accounts ſhould be exhibited of the ſums transferred home; that books ſhould be kept open at the India Houſe, to receive ſubſcriptions, at four per cent.; the ſurplus profits of the Company's trade, and the ſurplus revenue in India, declared to be the ſecurity for the payment of the intereſt, as well as of the principal; and government ſhould become a collateral ſecurity for the payment of the intereſt, during the time that India ſhould remain in the poſſeſſion of Great Britain. In this home fund, as well as in the foreign one, the Company ſhould be veſted with the power of redeeming the ſtock, at par. If, at any time, Government advanced money to the Company, to enable them to diſcharge the current intereſt on the home fund, it would be expedient to enact, that the ſum, ſo advanced, ſhould be replaced out of the profits

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of their firſt ſale, and before they ſhould be entitled to make any dividend on their proprietary ſtock; and, that this repayment to Government ought to precede their dividend, by, at leaſt, three months. In the event of the debts in India being diſcharged, it was recommended, that the preſidencies of Bengal and Madras ſhould be obliged to advance to the commercial Boards of the Company, whatever ſums could be ſpared from the revenue, after defraying the civil and military charges; and, in return, that bills ſhould be granted, without intereſt, and payable at ſuch dates as the inveſtments might be ſuppoſed to be turned into caſh, in England. That theſe bills ſhould be tranſmitted to a Treaſurer, at home, who ſhould become an officer under the controuling power; his duties ſhould be, to get theſe bills accepted, and then to depoſit them in the Bank, in truſt for the Public. That whatever ſums might remain after the funded debt, at home, ſhould have been paid off, they ought to be conſidered as an additional ſecurity for the payment of the funded debt abroad, and of its intereſt. The Company, by this arrangement, would aſſume the character of merchants only; receive, from the King, a protection ſuited to the purpoſes of their trade; and the King, from his territorial revenues in India, as a franchiſe of the Crown, would defray the civil, military, and other public charges, without interfering with the Company's profits on their trade.

Meaſures recommended to be taken by the Com-

Having thus removed the difficulties which it was apprehended might ſtand in the way of eſtabliſhing this plan,

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pany and the State for carrying this plan of government into effect.

plan, it was propoſed, that the following ſteps ſhould be taken to carry it into effect: That the Company ſhould ſurrender to His Majeſty, for the uſe of the Public, all their forts and territories; but retain poſſeſſion of their factories and warehouſes, for the purpoſes of their trade; that, as the ſettlement of Bombay is of the utmoſt importance to the naval intereſts of Great-Britain, the Public ſhould be at the expenſe of maintaining it. That with the deed, by which the Company ſurrender their poſſeſſions to the Public, they ſhould relinquiſh the titles which they have held to raiſe and to muſter forces, to appoint commanders and officers, to make war and conclude treaties of peace with the native Powers, to nominate Governors, Councils, &c. That the trade, though ſeparated from the revenues, and left to the management of the Directors, ſhould, at the ſame time, be declared to be under the care and protection of the Board of Commiſſioners. In particular, that the dividends ſhould be limited at 8 per cent; unleſs, upon application to the controuling power, in the event of the debts of the Company being reduced to two millions, the Commiſſioners ſhould think that it would be expedient to grant permiſſion to the Directors to encreaſe it beyond that amount; that the Directors ſhould be bound, annually, to lay before Parliament a ſtate of their affairs, and of the aids which they have derived from the executive powers in India and in Britain. In the event of the Directors obtaining permiſſion to encreaſe their dividends, that the ſinking fund ſhould be equally

benefited with the ſtock holders; that if this advantage ſhould be ſecured to the Proprietors, then, the value of their forts and ſtores ſhould not be taken into the account of their aſſets, but ſhould be deemed appendages of the territory, and transferred with them.

Application of the principles upon which this plan was founded, to the future regulation of the trade to the Eaſt-Indies.

II. Having thus applied the principles upon which the authors of theſe memoirs grounded their propoſed ſyſtem of government, in connexion with that of the trade to the Eaſt-Indies, it may be proper to lay open the views of trade which they embraced, and then to bring forward the plan which they propoſed for the final ſettlement of the government of our Aſiatic poſſeſſions, and trade to the Eaſt-Indies.

General characters of this trade.

In examining the views which they have taken of the trade, we ſhall conſider, firſt the ſyſtem which they propoſed for the trade to *India*; and next, that which they conſidered to be expedient for the trade to *China*; ſtating with their opinions on both ſubjects, the objections which they foreſaw would be made to their ſchemes, and the reaſonings which they offered to remove them.

Particular character of the Indian trade.

The ſubſtance of the obſervations on the *trade to India*, is nearly as follows: The trade to India and China has, hitherto, formed one great commercial ſyſtem. It has been conducted by a Company, protected by Government; ſupported by excluſive privileges, and maintained on a joint ſtock. It has paſſed through a variety of viciſſitudes, in conſequence

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consequence of opposition from the other European companies, trading to the East-Indies, and has risen to its present height, both from the accidental circumstance of having been connected with territorial revenues, and of having received a succession of aids from the Public. The question now comes to be, whether the trade to India and China should still continue one great commercial concern? or whether, in consequence of the connexion between the revenues and the trade to India, this trade should be considered as *one* branch of the British interests; and the trade to China *another*.

In these memoirs, the authors are of opinion, that the trade to India and to China, rests upon perfectly distinct principles; and that the *trade to India* should be an *open* trade.

First objection to this plan, arising from the check it might give to the present exports of British manufactures by the India Company, with the reasonings offered to remove this objection.

1. The first objection which they foresaw to this scheme, arises from the check which it might give to the quantity of British manufactures exported by the East-India Company; being, according to the conditions on which their charter proceeds, to the amount of one-tenth of their capital stock. In answer to this objection, they have recourse to the facts, and say, that if the exports of British manufactures, made by the Company, from 1750 to 1785 should be examined, it would be found, after deducting from them the articles of foreign merchandize, and of warlike stores, that they did not exceed in value £.250,000 annually. That the common object, both of the Directors and of their governments abroad, during the last twenty years, has been, not

not ſo much to encreaſe the export of Britiſh manufactures, as to abſorb the ſurplus of their revenues, and to bring home the ſums which their ſervants had acquired in India, either from the conqueſt or from the internal trade of the country. That though the Directors had ſent out repeated inſtructions to the different preſidencies, to promote, as much as poſſible, the ſale of Britiſh manufactures in India; and even gone ſo far as to have come to the reſolution, to continue the export, as long as the goods could be retailed without a loſs; yet that their governments abroad had repeatedly informed them, that the principal conſumpt of Britiſh manufactures, was by their own ſervants, and by the other European inhabitants of the provinces; that even this demand had become leſs in conſequence of the exports in private trade, and by Britiſh merchants, trading under foreign colours. To ſo great a height had this evil ariſen, that there was even a danger of the demands upon the Company, for Britiſh manufactures being totally at a ſtand. From theſe circumſtances they concluded, that if the expenſe of the prime coſt of Britiſh goods, the charges incurred by carrying them to India, and the profits ariſing from the ſale of them, ſhould be compared, it would be found, that the Company had gained very little on their exports of Britiſh manufacture; and that an open trade to India, would both have the effect to encreaſe the demand for Britiſh manufactures, and to bring this trade into the hands of the fair trader.

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Second objection, arising from the injury which the British manufactures that depend on the raw materials imported by the Company, might sustain, if their imports should be checked; with the measures, by which it was proposed, to remove the force of this objection.

2. The second objection, which it was apprehended, might be made to an open trade to India, was, "that the quantity of raw materials imported by the present East-India Company, upon which so many of our home manufactures depend, would of course be diminished, and therefore the price both of the materials, and of the produce of the manufactures would be raised." In support of this objection, recourse would probably be had to the present flourishing situation, at which the cotton manufactures of every description had arrived, and to the efforts which were making in France, to rival us in this branch of our trade. The answer, which has been given, refers, in the first instance, to the complaint, which the manufacturers have brought against the East-India Company, of having since the cotton manufactures had been encreased at home, enlarged their imports of piece goods, with the view of rivalling, if not of bearing down our home produce in the market. The reply of the Company to this complaint, instead of removing it, may, in the opinion of the authors of these memoirs, be held to be merely evasive. The Company admit, that they have encreased their imports of piece goods, and give as a reason, the demands which have been made for them in the foreign European markets, adding, that a considerable part of their profits depends upon the re-exportation of them. If, however, the quantity of raw materials required by the British manufacturer could be obtained, and the price of them diminished, then a considerable part of the demand, in the foreign markets, would be for our home manufactures, not for Indian piece goods. An open trade to India was, therefore, recommended as the obvious means

means of obtaining this object; becaufe, in the firft place, a rivalfhip would take place in the importation of cotton; and, in the next place, the India Company, as a body corporate, trading on an immenfe ftock, would find it their intereft to enter into this rivalfhip, either to bear down the private merchant, or, at all events, to draw to themfelves the greateft fhare of the trade; in either cafe the Public would be benefited; for the price of the materials would become low, and, of courfe, the attempt of the French, to deprive us of this valuable trade, would prove abortive. The conclufion drawn from this reafoning was, that it would be for the benefit of our home manufactures, if the exclufive privilege of trading to India fhould be taken from the Company.

Third objection, arifing from an apprehended lofs of the prefent revenue paid to the Public by the Company, with the meafures propofed for fecuring to it the fame amount.

3. THE laft objection, which the writers of thefe memoirs have confidered, againft opening the trade to India, was, "that the Public, at prefent, receive a large revenue from the India trade, and that it would be a dangerous experiment to hazard the lofs of this revenue, for the uncertain profpect of a greater, from an open trade; or, that this fcheme might materially injure public credit." The anfwers offered, to remove this objection, confift, firft of a reference to the actual amount of duties paid by the India Company to the Public; and next, to a fet of regulations, by which an equal amount might be infured to it. From looking into the accounts of the Company's fales, as laid before Parliament, and of the duties paid on them, it is faid, that the fum received is great, in appearance, but not in reality; for, if the duties upon

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and for the re-exportation of ſuch goods as may be prohibited from being ſold for home conſumption, ſhould be diſtinctly laid down. The reſults drawn from theſe reaſonings and regulations are, that the traders of Great Britain would become the ſole exporters of our manufactured goods; and the ſole importers of the raw materials, upon which our manufactures depend, in excluſion of the Portugueſe, Swediſh, Daniſh, and Dutch ſhips, which, at this time, furniſh a conſiderable part of them; that a ſum much greater than one-fourth part of the preſent apparent duties would be paid into the Exchequer, and conſequently, that the public revenues, from the Indian trade, would be greater than thoſe derived from the preſent monopoly of the Company.

Scheme for continuing the excluſive privilege of the Company to the China trade.

It ſeems proper to leave theſe plans and the reaſonings on them, reſpecting the trade to India, till we have followed the authors of theſe memoirs through thoſe which they have offered reſpecting the trade to China.

On the ſubject of the trade to China, upon viewing the whole circumſtances of the caſe, they are of opinion, that it muſt continue a monopoly, and be carried on upon a joint ſtock.

Reaſons for embracing this ſcheme, ariſing from the nature of the trade, and from the character of the Chineſe.

The reaſons aſſigned for a ſcheme of trade to China, ſo oppoſite to that which had been propoſed for India, are; that in India we poſſeſs factories and privileges; in China, no privileges; that, in India, our ſubjects are protected either by our own laws, or by thoſe of the native States, conſidering

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confidering us as neighbouring Sovereigns. In China, and even in the river Canton, we are obliged to fubmit to the laws of that empire only, and have experienced from its officers the moft humiliating infults, as well as the moft unprovoked feverities. Neither ignorance, nor inadvertency have here been admitted as excufes for an offence againft local or unintelligible cuftoms; and non-compliance with either would bring deftruction both upon the trade and the fubjects of any country.

From the injury which the Britifh trade to China might fuftain, if the efforts making by the Company to render the circuit of their trade wider fhould be ftopped.

But fuppofing thefe circumftances could be altered, and that we could trade to China, with the fame fafety as we could do to the ports of other foreign nations; the ground upon which this trade muft reft is peculiar, and the commodities brought home through it, of effential benefit to the revenue. A fum, in bullion, not lefs than 1,000,000 fterling, annually, had for many years been fent from this country to purchafe the teas, required for our home confumption. The efforts which had hitherto been made to diminifh this quantity of bullion, have had but a partial fuccefs. The obvious meafure was to widen the circuit of commerce towards the eaftern iflands, by carrying Britifh or Indian produce firft *to* them; and then fuch produce *from* them as would be received in the China market; experiments are making in this way, but the refults do not, as yet, entitle us to infer abfolute and full fuccefs; for, firft, fome of thefe attempts have failed, as in the cafe of the fettlements attempted to be formed in 1778 and 1779, on the ifland of Rhio; and, next, that which has been effected on the

the iſland of Pinang, at an expence of about £.25,000 per annum, had not yet afforded us ſufficient experience of its utility. If ſimilar attempts ſhould be made, it would only furniſh a reaſon for thinking, that in progreſs of time the balance of the trade from China, may turn in favour of Britain, and that the export of bullion may become leſs neceſſary.

BUT ſuppoſing that theſe circumſtances in the China trade did not ſo ſtrongly recommend the continuation of the excluſive privilege of the Company, as they in fact do; the advantages which we derive from their eſtabliſhed commercial character, would render its continuance a matter of expediency. In the firſt place, the prejudices of the Chineſe in favor of the Company, are founded upon having been long accuſtomed to tranſact with their factors; next, upon a certainty of a large demand from them; and, laſtly, upon that punctuality of payment which the Company's extenſive credit has enabled them to make. In none of theſe reſpects, could any ſtranger enter into competition with the Company; nor are theſe general advantages the only ones which they would poſſeſs over the private merchant. They have ſervants regularly bred to the buſineſs of collecting quantities of opium, gold duſt, ſilver, lead, ivory, with a number of leſſer articles fitted for the Chineſe trade. Theſe ſervants have been accuſtomed to the traffic in the iſlands, are acquainted with the languages of the people, and are furniſhed with a number of ſmall veſſels, by which to carry the articles collected to ſome depôt, at which the China ſhips can touch with ſafety, or to convey them directly to the Company's factory.

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factory in China. A constant correspondence has been kept up between the persons employed in this traffic, and the Supra-cargoes at Canton, while a like correspondence has been maintained by the Company's Agents, with the Chiefs in these islands, that they may be supplied with such articles as they stand most in need of. The private trader, on the contrary, would, in the best view we can take of his credit, be but in the situation in which the Company were placed at their first institution, that is, he would have bullion to export, credit to establish, character to acquire, and gradually to find out and become possessed of means for rendering his trade profitable.

Conclusion, for a monopoly in the China trade.

TAKING then the whole of these circumstances into consideration, these memoirs conclude, that though opening the trade to India might be a wise and beneficial scheme, the opening the trade to China would be hazardous and improvident. It might not only expose the individual trader to destruction, and the parties concerned in the adventure to a bankruptcy, but, from the odd, yet fixed character of the Chinese, exclude the Company continuing to trade on their joint stock, from entering into, or clearing out from, the river Canton. Leaving then the advantages which the Public derive from the tea trade entirely out of view, the market from which we bring such materials for our manufactures, as raw silk, ivory, &c. might be shut against us, and yet open to the other European nations, and, at all events, the encrease which the China trade has received from the regulations which have reduced the prices of China goods

goods to a rate that has given us a superiority in the trade, might be loſt.

Plan propoſed to be ſubmitted to Parliament, for the eſtabliſhment of theſe ſyſtems of government and of trade.

HAVING thus taken a review of the memoirs, which have ſuggeſted plans for the future government of our Aſiatic poſſeſſions and regulation of trade to India and to China, it may be proper before we apply the principles, upon which they have proceeded, to the eſtabliſhment of the ſyſtem of revenue, with which it was propoſed to connect them, to give an outline of a plan, drawn up, about this period, for connecting the revenues with the trade.

Principles upon which this plan proceeded.

THIS plan is introduced with the following preliminary obſervations; that Parliament on repayment of £.4,200,000, may, or may not, continue the excluſive privilege of the Eaſt-India Company, after March 1794*. That though Parliament ſhould take away the privilege of excluſive trade, the Company ſtill would remain a body corporate, entitled to trade to the Eaſt-Indies upon their joint ſtock. That the poſſeſſion of their territories and revenues is a right of the Company, during the remaining period of their charter †. That the bond debt in 1787 being £.2,000,000, the capital ſtock £.4,000,000, the annuities ſold, or intended to be ſold, abſorbing the intereſt due to the Company by the Public, the expenſes of the late war about £.10,000,000,

* See 21ſt Geo. 3. chap. 65. ſect. 5. in collection of ſtatutes relative to India, by Francis Ruſſel, Eſq.

† See ſect. 8 of the preceding act.

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* Acts 21 Geo. 3. chap. 65 and 23 Geo. 3. chap 83. sect. 8 and 9.

made

made conditions and ſtipulations with the Company, propoſes, that the following arrangement ſhould take place.

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Propoſitions comprehended in it.

THAT His Majeſty ſhould be declared to have the ſole right to the Britiſh territories in India, and to the revenues ariſing from them, for the uſe of the Public. That His Majeſty alſo ſhould be veſted with the executive power in theſe territories, to be exerciſed, in future, in the ſame manner as in the plantations and other foreign ſettlements of the Crown. That the natives and other inhabitants in the Britiſh provinces in India, ſhould be declared to be the ſubjects of the King, and under His protection; but that they ſhould be governed by their own laws and cuſtoms, and not be entitled to the franchiſes of Britiſh ſubjects, unleſs by reſidence, connection in trade, or ſervitude, they ſhould become amenable to the laws of England. That the powers and authorities which have been granted by former acts, for the good government of the ſeveral provinces in India, ſhould remain in force, except in ſo far as they may be reſcinded in this or in future Acts of Parliament. That the Governor-general, the Preſidents, Councils, Judges, and Officers of revenue, ſhould, in future, be in the nomination of the King; but that the preſent appointments ſhould be continued till His Majeſty's pleaſure ſhould be known. That the duties at preſent exerciſed by the Governor-general, Preſidents, Councils, &c. ſhould continue, except in that part of them which enjoins the officers

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to pay obedience to the Court of Directors. That the salaries of the Governor-general, Presidents and Judges, should be chargeable on the civil establishment, and paid from the territorial revenues in India; but that a power should be given to the India Board to vary or alter the amounts of these salaries at pleasure. That all the subsisting treaties which the East-India Company have entered into with the native Princes or States in India, should be declared to have the same force as if these treaties had been made with His Majesty. That the servants who might be employed in the revenue department, should be prohibited from entering into any commercial engagements, and should take an oath not to accept of presents of any kind or description. That the acts which have obliged the Company to defray the expenses of His Majesty's forces serving in India, or of His fleets defending its coasts, should be, by this act declared to be repealed*. That the powers which have been granted in different charters, and by different acts of Parliament, to the East-India Company, to raise and to discipline troops, and to equip and to employ ships of war, should be no longer in force†. That the Governor-general, Presidents, &c. in the different settlements should be vested with the power of appointing to such subordinate civil or military offices as may become vacant; but that the promotion should go on, upon the principles established in the fourteenth and fifteenth sections of the

* Viz. 21 Geo. III. cap. 65. sect. 17.

† Viz. 27 Geo II. cap. 9. 1 Geo. III. cap. 14. 23 Geo. III. cap. 65. 26 Geo.

26 Geo. III. That the Company's ſervants now in India, ſhould be entitled to the ſame rank, which they would have obtained from the Company, but, in future, deemed ſervants of the Crown. That the Company's army in India, ſhould be declared to be the King's, but with the ſame line of promotion and diſtinct rank as formerly. That the executive power ſhould be limited, in the number and age of the ſupernumeraries to be ſent out to India to fill up the civil offices, and that thoſe on the preſent liſt, ſhould have the preference, when vacancies happen. That the powers which have been granted to the Governor-general, Preſidents, and Councils, to ſeize on illicit traders, ſhould be continued; and, in proſecutions againſt them, that the courts of juſtice ſhould have cognizance and authority over the party, although he ſhould reſide without the ordinary limits of their juriſdiction, if he ſhould be found within the limits of the Company's excluſive trade. Perſons convicted of ſuch offences, ſhould be made liable to impriſonment, till they could be ſent home by an order from the Governor-general, or Preſidents and Councils*. That the Company, in the excluſive privilege propoſed to remain with them, ſhould be authorized to grant licences to ſuch private traders, as may be approved of by the controuling Power; and declared abſolute proprietors of ſuch houſes and lands as may be neceſſary for the purpoſes of their trade. That the Company ſhould be ſupplied with the ſurplus revenue for their inveſtment, except in the time of war, when this ſupply ſhould be limited to a certain ſum.

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* Act 26 Geo. III. cap. 25.

That

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That for the ſum received, they ſhould grant bills on the Court of Directors, at eighteen or twenty months date, but that no intereſt ſhould be paid on theſe bills, till after they ſhould become due; and this to continue to be the practice while the Company remained accountable for the profits of their trade. After, however, the payment of the foreign debt, and the reduction of the bond debt at home, to £.1,500,000; that the bills ſhould carry a reaſonable intereſt, after ſix or eight months. That while the foreign debt ſhould remain unpaid, the holder of a bill of exchange from India, after it ſhould have been accepted by the Directors, ſhould carry it to the Accountant-general of the India Company, who, after adding to it whatever intereſt might be due, ſhould cancel the bill, and grant his certificate for the whole amount to the Directors of the Bank, which certificate ſhould entitle him to a transferable ſtock, equal to the value of the whole of his debt in a new fund, to be named the Indian 5 per cent. annuities. That the intereſt on this ſtock ſhould be paid at the Bank, in equal portions, at Midſummer and at Chriſtmas, from the ſums to be paid into it, out of the ſurplus of the territorial revenues, and the Public ſhare of the profits of the trade. That diſtinct accounts of theſe payments ſhould be kept at the Exchequer, and whatever might remain, after paying the half-year's intereſt, ſhould be employed to pay off 10 per cent. on the principal or ſtock, which, from time to time, might remain due. If any ſum ſhould remain, after ſuch payment, that it ſhould be employed, in conſequence of an order from the Lords of the Treaſury, towards ſatisfaction of the funded debt, till the whole

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whole of it ſhould be extinguiſhed. That, after every ſuch payment, new books of transfer ſhould be opened, containing accounts of the reduced and unſatisfied ſtock; that a diſcretionary power be given to the Lords of the Treaſury, authorizing them to advance, out of any unappropriated Public monies in the Exchequer, a ſum ſufficient for the payment of the annuities, when the proper fund, from any circumſtance, might not be equal to the payment of them. This advance, however, at no time, was to go beyond the amount of intereſt, due in any one year, and, when made, bills of exchange ſhould be given by the Directors for the amount. That theſe bills ſhould be diſcharged, or the amount of them paid into the Exchequer, either from the firſt remittances from India, or out of the profits of the trade; the whole to make a part of the annual reports to be made to Parliament. That the Directors, alſo, ſhould be allowed to diſcount, at the Bank, ſuch bills as might be drawn in their favor, from any of the Preſidencies, to ſuch an amount, as would yield a ſum ſufficient to pay the annuities when due. That the Directors of the Bank ſhould have paid to them, out of the fund provided for the India 5 per cent. annuities, ſuch a reaſonable allowance, for their trouble, as the Lords of the Treaſury might direct. As the debt alſo had been contracted in defending territories acquired for the Britiſh empire by the India Company, that it ſhould be underſtood, that if theſe poſſeſſions ſhould be wreſted from Britain before ſuch debt ſhould have been paid off, ſome other fund ſhould be pledged for the ſecurity of the ſtockholders. That the Company

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Company ſhould be bound to pay the intereſt of their bond debt out of the whole of their profits of trade, and alſo a dividend of 8 per cent. per annum on their capital ſtock, charging the ſame as items of diſburſement. That three-fourths of the remainder ſhould be paid into the Exchequer, to be under the orders of the Lords of the Treaſury, firſt, for reducing the bond debt to £. 1,500,000, and next to pay off the principal and intereſt of the funded debt. That the Directors ſhould be obliged to render to the Commiſſioners of the Treaſury, in the month of April, an exact ſtatement of the nett profit and loſs of their trade from February to February annually. Theſe ſtatements to be given on the oaths of their accountants, and atteſted by three of the Directors. That a duplicate of theſe ſtatements ſhould be laid before Parliament, if ſitting, if not, within fourteen days, after the opening of the ſeſſion. That the clauſe for the redemption of the debt due by the Public to the Company, ſhould be repeated, with a proviſo, that ſuch redemption might take place, on three years notice. That in the event of the ſtatement of profit and loſs on trade not being rendered by the Directors, or of their not paying into the Exchequer the ſpecified proportion of the profits of their trade allotted towards the fund for the diſcharge of their debts, Parliament ſhould have the power of determining their excluſive privilege of trade, on one year's notice.

Opinion ſuggeſted in the concluſion of the memoir.

Leaving the obſervations which it may be neceſſary to make upon this bill, and upon the plans and principles on which it proceeded, till ſuch time as we have conſidered the

ſcheme of the revenue, with which the whole was to be connected, it is ſufficient to obſerve, on this plan, that the author of it concludes with the remark, that after all the knowledge which had been obtained of Indian affairs, ſtill we were not prepared to bring forward a ſyſtem upon this national ſubject, and that his intentions went no farther, than to propoſe a bill of experiment. CHAP. II.

Application of theſe principles to a propoſed ſyſtem of revenue and finance.

III. Having brought into view the plans of government and of trade, offered in theſe memoirs, it only remains to connect with them, the regulations ſuggeſted for the management of the revenues.

General object of this plan.

It may be neceſſary, in introducing this ſubject, to premiſe, that the general object in the whole of theſe ſchemes ſeems to have been, rather the liquidation of the Company's debt, and the improvement of their commerce, during the remaining period of their charter, than to ſettle the quantum of revenue, or the mode of levying it in our Aſiatic territories. The hints which were given, reſpecting their plan of government, ſeem to have been conſidered as ſufficient for theſe ſubjects. It appears, indeed, through the whole of the obſervations, which we have detailed, and it will be made obvious, from thoſe which are to follow, that it was held to be a deſideratum, that the Company's debts ſhould be diſcharged, if poſſible, by March 1794, and that their poſſeſſions ſhould then fall into the hands of the Public, as landed property does, into thoſe of its owner, on the termination of a leaſe. If ſo deſirable

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an end could be obtained, they augured, that then, the Legiſlature might diſpoſe of the property of the Public, in the way that might be moſt beneficial to the intereſts of the Nation, and connect with this final ſettlement, the ſyſtems for an open trade to India, and for continuing an excluſive trade to China, with the Company.

Abſtract of the amount of the revenues at home and abroad, as applied to the claims of the Company on the Public.

KEEPING therefore, this general line of thinking in view, we ſhall *firſt* offer an abſtract of the opinions of theſe authors, reſpecting the ſums which the Company might be expected to realize at home; and alſo, reſpecting the ſums which they might be ſuppoſed to realize abroad; and laſtly, ſubjoin the inferences from both, as applicable to the claims which the Company may have on the Public, and to the compenſation which they may expect to receive when their excluſive charter ſhall have expired.

Subſtance of the obſervations made on the amount of the revenue at home.

1. THE ſubſtance of the obſervations made on the ſums, expected to be realized, at home, is as follows: That the profits on Britiſh manufactured goods, exported to India and China, had not, on an average of the preceding ten years, exceeded $2\frac{1}{4}$ per cent. of dividend, on the old capital ſtock of £.3,200,000. That the profits on the import trade from India and China, on a ſimilar average; and for a ſimilar period had produced only a dividend of about $5\frac{1}{4}$ per cent. on the capital of £. 3,200,000. That from the eſtimate of the amount of the Company's ſale of goods imported from India and China, for the then current year, the amount was calculated at £.4,546,000, and for future years £.4,700,000.

That

That to furniſh goods, for an annual ſale, to the amount of £.4,700,000, it was computed that £.1,110,000 muſt be employed in providing inveſtments in India, from which a nett profit of £.90,000* was expected, being after the rate of about 8 per cent. on the prime coſt. That £.1,500,000 muſt be employed in providing an inveſtment in China, from which a profit was expected of £.375,000 †, being 25 per cent. on the prime coſt. That the remainder of the ſale, beyond the prime coſt, was abſorbed in freight, demorage, duties, and charges on merchandize. That the commercial fund of the Company was compoſed of theſe profits, and of about £.70,000 per annum of duties on private trade, of £.36,226, on the unſold part of their annuities; and ſuppoſing neither a profit nor a loſs on the export trade in

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* Eſtimated ſale of India goods - -		£. 2,160,000
Prime Coſt - -	£. 1,110,000	
Charges of freight, cuſtoms, and merchandize - -	960,000	
		2,070,000
Eſtimated profit		£. 90,000

† Eſtimated ſale of China goods - -		£. 2,540,000
Prime coſt - -	£. 1,500,000	
Charges of freight, cuſtoms, and merchandize - -	665,000	
		2,165,000
Eſtimated profit		£. 375,000

 future

CHAP. II. future, ſuppoſing their ſales to amount to £.4,700,000, their commercial revenue might be ſet down as follows:

Profit	on India trade	£. 90,000
	on China trade -	375,000
	on private trade -	70,000
Annuities unſold by the Company		36,226
		£. 571,226 *

In forming theſe eſtimates, the charges of freight are taken at the reduced rates, payable in the time of peace, and no allowances are made for the hazard of ſeas or enemies; for the expenſes of recruits, and for penſions to ſuperannuated officers and ſervants, which might be ſet down at £.40,000 per annum; nor for the annual intereſt of £.2,100,000 of India debt, at that time transferred home, amounting to £.105,000. It is thence argued, that adding this £.105,000 to the £.40,000, and then taking into view £.128,000 annual intereſt, on the bond debt of £.3,200,000, and £.400,000 for an 8 per cent. dividend on the capital ſtock of £.5,000,000, the whole would amount to £.673,000 per annum, exceeding the eſtimated commercial fund by £.101,774. If even the intereſt of the tranſferred debt ſhould be ſubtracted, as not conſtituting, properly a charge on the commerce, the fund would then only

* Theſe computations were made in 1789, from the accounts of preceding years; but the trade has been improved ſince the period to which theſe accounts refer.

exceed

exceed the outgoing, by £.3,226. It is thence ſtated, that to ſupport the Company's credit, their outgoings muſt be regularly paid, though the fund at the ſame time would be expoſed to ſuch contingencies as the power or inability of the foreign preſidencies to provide inveſtments at the eſtimated prices; proſperous or unſucceſsful voyages; profitable or unproductive ſales; moderate or high rates of freight and demorage. If, however, independently of ſuch accidents, the commercial fund ſhould be found barely ſufficient to anſwer its own current and fixed payments, it was evident, that ſome method muſt be found out to continue the progreſs of the trade. The following facts, it was contended, would ſhew this neceſſity. Though the duties on private trade are rated at £.70,000 yet on an average of the two years 1786 and 1787, they amounted only to £.55,675. The India inveſtment of 1786-7, coſt £.1,121,670, a profit was received of £.136,250. In 1787-8, the India inveſtment coſt £.1,128,123: but inſtead of a profit, there was a loſs £.7,011. In 1788, the private adventurers, in coaſt piece goods, did not realize more in Britain, on their ſales, than about ſeven ſhillings and twopence or ſeven ſhillings and four pence per pagoda on the exchange, owing to falling off in the demand for ſuch goods in London.

Opinions of the authors on this ſubject.

UNDER theſe circumſtances, it is concluded, that the only means for ſupporting a commercial fund, equal to the charges, would be to lower the then rates of freight; to employ ſuch parts of the ſurplus revenue from Bengal, as could be ſpared from the China and Bencoolen inveſtments, to be applied to buy up, at the marketable diſcount, the

CHAP. II. the Company's paper, carrying high intereſt; and to continue this appropriation 'till the demands for India goods at home ſhould produce a more profitable return.

Remedies propoſed by them to remove the difficulties which might occur in the final arrangement of their plan.

The authors of theſe memoirs ſeem to have been fully ſenſible, that theſe meaſures could not be carried into effect, unleſs ſome remedy could be deviſed, by which to remove the contraband trade, ſo diſtreſſing to the Company's export and import trade. For this purpoſe they propoſed, that penal laws ſhould be enacted, to affect ſuch Britiſh ſubjects as remit their fortunes from India to Europe on foreign bottoms; and that the moſt rigid meaſures ſhould be adopted to deter ſmugglers. In illuſtration they ſtate, that in 1786, a profit of about 12 per cent. was derived from the inveſtments from India. In 1787, a loſs was incurred by them. In 1789, the future profits from the inveſtments were eſtimated at about 8 per cent. and if the moderate term of eighteen months ſhould be allowed, from purchaſing the goods in India to realizing the amount of the ſales in London, the profits would be reduced as low as about 5 per cent. Comparing, therefore, with theſe facts and eſtimates, the intereſt which the Company pay on their paper in India, from 8 to 9½ per cent. and intereſt, on this intereſt, when the payment was with-held beyond the year, and then taking into view, that they themſelves might buy up this paper as ſoon as it was iſſued, at a diſcount, varying from 4½ to 12 per cent. it was evident, that the exiſting ſyſtem required improvement, even during the remaining period of their charter, in order to bring their commercial fund into that ſtate in which

which it would be able to ſupport the trade. The meaſures above recommended, it was ſuppoſed, would have this effect.

Abſtract of the amount of the revenues abroad, as applicable to the claims of the Company on the Public.

THE ſubſtance of the obſervations, in theſe memoirs, reſpecting the ſums expected to be realized by the Company abroad, during the remaining period of their charter, is as follows: That the ſurplus revenue, applicable to inveſtment, had been eſtimated at about £.650,000, or £.700,000 per annum; but, by the Governor-general's letter, of the 12th of March, 1789, this ſurplus, after deducting £.50,000 for Bencoolen, amounted to £.1,184,120; with this ſurplus was compared the ſtate of the debts in India, which, on the 30th April, 1788, including the amount transferred home, amounted to £.10,007,410. The aſſets in India, conſiſting of caſh in the treaſuries, bills receivable, ſtores, import and export goods on hand, had been valued at about £.2,712,161; and the debts due to the Company, were about £.2,174,837, which, together, amounted to £.4,886,998. It was next ſtated, that the debt at home, on 31ſt January, 1789, amounted to £.11,048,490, in which was included an unadjuſted claim of Government, of £.500,000 for troops, &c. That the price of the capital ſtock was, about that period, at £.174 per cent. which, on £.4,000,000, amounted to £.6,960,000. The debts therefore, and the value of the capital ſtock, were £.18,008,490, and that the goods, credits, and effects at home and afloat outward, were eſtimated, in January 1789, at £.12,109,832. After combining the accounts at home and abroad, it appeared that

CHAP. II. that the Company's aſſets fell ſhort of their debts and value of their ſtock, by £.11,019,070, a deficiency which, it was obſerved, might be augmented by any exceſs in the eſtimate of aſſets, beyond what could be realized from them, and it was thence ſuppoſed, that as many of the debts on the quick ſtock might come under this deſcription, the deficiency might be taken at £.12,500,000.

It came, therefore, to be a matter of enquiry what the ſurplus revenues of India, from 1788 abroad, and 1789 at home, to 1794, with the ſavings of intereſt might amount to; and what debts might be ſuppoſed to be diſcharged, by that period. The ſurplus revenue was taken at £.900,000 per annum, for ſix years, and it was calculated, that if this ſurplus was to be applied to India only, for leſſening the debts at par, with the ſavings of intereſt, it would only diſcharge £.6,500,000. If then, £.6,000,000 ſhould be made to follow the revenue, and the aſſets of the Company abroad and at home, ſhould be taken at the eſtimates made of them at this period, the whole would be juſt equal to their debts, and to the value of their capital ſtock, at £.174 per cent. It is added, however, that the whole of this reaſoning depends on the profits of the trade after defraying the dividends and other expenſes, being equal to the diſcharge of the intereſt on debts to be transferred home, during the period of their charter.

HAVING

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HAVING thus given the ſubſtance of the obſervations made in theſe memoirs, on the ſubject of revenue and profits on the trade, as applicable to the diſcharge of the Company's debts at home and abroad: We have only to ſubjoin the opinions on the claims which the Company may make on the Public, and on the compenſation which they may expect to receive from it, at the expiration of their term.

Eſtimated extent of theſe claims.

ON the ſubject of their *claims*, the Company might probably bring forward a demand of nearly £.5,000,000, for money laid out by them, in acquiring and defending the provinces. They might alſo, probably, expect intereſt on this ſum, which would more than double it. They might further ſtate the great loſſes which their trade had ſuſtained, ſince the acquiſition of the Duannee, from the neceſſity which their commercial Boards had been under to enlarge their inveſtments, as the only means of bringing home the revenues; and add, that from this circumſtance, the price of goods in India had been encreaſed, and the ſale value of them, in Europe, leſſened by the large quantities brought into the market. In this way, they might ſtate a charge on the revenues in India, for a ſum beyond the ſix millions, which they had been calculated to yield from 1788 to 1794; or a ſum that would be equal to yield to every ſtock-holder, after the rate of 174 per cent. as the laſt ſubſcription to the capital ſtock was made at that rate.

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On the ſubject of compenſation, theſe memoirs ſuggeſt, what they apprehend would place the Company in a ſituation to diſcharge their debts, before or at the period when their charter is to expire; and enable the Public to adopt the ſyſtems of government and of trade which were recommended. For this purpoſe, according to eſtimates then formed, it appeared, that a relief would be wanting of £.800,000 in March 1791; of £.600,000 in March 1793; and £.250,000 in 1794; theſe ſums, with a ſurplus revenue of £.650,000 per annum, inveſted in goods, would enable the Company to diſcharge the intereſt, as well as the principal of £.4,000,000 of transferred debts. It would, it was apprehended, be equally inexpedient and dangerous, when ſix years only of the Company's term were to run, to allow them to raiſe this ſum by a further augmentation of their capital ſtock, or by an encreaſed bond debt, or to allow them to ſell the annuity.

Reſult of the whole of theſe obſervations; ſuggeſting,

It is impoſſible to withdraw from the intereſting ſubjects treated of in theſe memoirs, and not to remark the very gradual manner in which the knowledge of Indian affairs has been attained. One touchſtone will try the whole of theſe queſtions, viz. the actual ſituation of India, and the actual ſtate of the Company's affairs at the time. Allowing the utmoſt latitude in ſuggeſting political improvements, theſe may not be applicable to the ſtate of India, and giving to a ſyſtem of trade its moſt entenſive characters, ſuch a ſyſtem may not be reconcileable to the ſtate of the Company's concerns at the time. It certainly would have been

been as improvident to have made any violent innovation in the government which had been underſtood and was eſtabliſhed in India, as it would have been hazardous to ſtrike out a new line of commerce, while the old one had been found productive. Without preſuming, therefore, to decide on the merits or demerits of the preceding opinions, we ſhall only ſtate doubts reſpecting the practicability of the innovations propoſed.

First, a doubt reſpecting the propriety of ſeparating the revenue from the trade.

1. In the firſt place, it may be aſked, Whether the declaring the ſovereignty of His Majeſty over our Indian poſſeſſions, would not have created an opinion among the native States, that an oppoſition had ariſen between their former allies, or maſters, the Company, and the Sovereign, under whoſe protection, they had been told, that very Company governed? Could theſe native States or Princes have been made to underſtand the European ideas of bodies politic and corporate, trading on a joint ſtock, and exerciſing a ſpecies of delegated ſovereignty for a certain time? Or, if they could have been made to comprehend the meaning of a charter can we ſuppoſe, that they would have entered into commercial connexions, or have brought their money out of the ſecurities or concealments, in which they had placed it, that they might veſt it in the new India fund, when they would at once have ſeen that this fund was under the management of an executive power in Britain, not of the commercial body to which they had been habituated? It is concluding, therefore, ſolely from paſt experience to ſay, that this propoſed ſyſtem

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CHAP. II. of government does not ſeem to have been ſuited to our Aſiatic dominions, nor to be reconcileable to the inſtitutions which the natives underſtood. It is not leſs proper, taking experience as a teſt, to infer, that (as the value of India to Britain depends upon the trade through which the revenues had been brought home) the government muſt be engrafted upon the trade, in order to render the one efficient, and the other productive.

Second, a doubt reſpecting the effect of this ſeparation on the conſtitution of the Britiſh government.

2. In the ſecond place, it is left for conſideration, whether the degree of power which the preceding plans propoſed to give to the executive government in Britain, might not have become a ſubject of political jealouſy to the other parts of the conſtitution. It is true, that reſponſibility to Parliament is connected, in theſe plans, with the exerciſe of this executive power; but it is a fundamental principle in the Britiſh conſtitution, that the executive, ſhall, at no time, be poſſeſſed of means of influencing the legiſlative power. But even ſuppoſing that no grounds of political jealouſy would have ſubſiſted under this ſyſtem, the arrangements propoſed by it might have been objected to, judging from paſt events in the progreſs of Indian affairs. It propoſes an entire ſeparation between the political and the commercial branches. His Majeſty is not only to be veſted with the ſovereignty of India, but with the nomination to all offices of a military and of a civil nature, from the Governor-general to the ſupernumerary; and if the Company ſhould be continued, the commercial ſupernumeraries alone were to

be in its appointment. What, perhaps, will be considered as less practicable, the King's civil and military servants, were to have a superior rank to the Company's commercial servants, and to receive their allowances from the new civil Indian government. Experience has shewn the necessity of vesting in the King the power of appointing Commanders in Chief; and, perhaps, the promptitude and responsibility required in a Governor-general and Council, or Presidents and Councils, and the independence of character, so necessary to judges, might justify the appointment to these offices being given to the executive power. The military department also, might, perhaps, be transferred to His Majesty, that an end might be put to the jealousies which have subsisted between King's and Company's troops; but to carry the separation of the political and commercial branches farther, might render the administration in the different Presidencies, more complicated than it is at present, and to establish the distinctive ranks of King's civil and military servants, and Company's commercial servants, receiving emoluments and protection from different superiors, could not fail of producing perpetual animosities, as well as become the source of actions, tending to promote opposite interests. If these remarks have their foundation in the actual state of affairs, the system of government must admit, more than these plans suggest, of the original tenures upon which we acquired our dominions, and have (though now it may be less necessary) continued to possess them; while to maintain our commerce, it must be allowed to

remain

CHAP. II. remain connected with the revenue, as the trade is the only chain which connects India with Great Britain.

Third, a doubt respecting the future prosperity of the trade, if shifted from the present plan.

3. In the third place, it may be objected to the plan of an open trade to India, and of a trade under exclusive privileges, to China, that, at the time when it was offered, the statements, upon which it rested, did not support it. The object of the plan, was to break the line of commerce between India and China, so that the trade to India was to rest upon itself alone, and the trade to China upon itself alone. The issue on the question will wholly depend upon the amount of the revenue which the plan proposed to pay to the State.

According to the statements upon which this plan proceeded, the export trade to India had yielded but inconsiderable profits; and, upon several occasions, had been attended with a loss. From the statements also, it was inferred, that the import trade from India had often afforded but a small profit *. And hence, only a trifling interest (if the circumstance of the Company being their own insurers be brought into the argument) would have accrued to the Proprietors on the sums employed in the trade.

Taking these as admitted results from the statements, let us suppose that the trade to India had been laid open,

* The profit was estimated at about £.90,000 upon an investment of upwards of a million.

and

and that the trade from it had been disjoined from the revenues. In this caſe the Company, as a body corporate, would have been entitled to trade on their joint ſtock, and though poſſeſſed of the excluſive privilege of trading to China, would have been nearly on a footing with the other merchants, who might have engaged in the trade to India. Placed in ſuch circumſtances, they would have had no inducement to continue the export trade, but that of its yielding them a profit, and no motive for engaging in the import trade (for they now would have had no ſurplus revenues to bring home) but that of its yielding them an adequate profit. Had they employed the ſame ſum in any commercial ſcheme in Europe, which they employed in purchaſing export goods for India, they would probably have received a more profitable return. In this ſituation then, the Company would have had little temptation to continue the export trade to India, to the ſame amount that they did at the time, and no great inducement to continue the import trade to ſo large an extent, unleſs in ſo far as it might have aided them, in turning to an advanage the excluſive privilege of trading to China, which this memoir propoſed to leave with them.

If we ſuppoſe the plan of an open trade to India to have been adopted, at this time, two queſtions of a public nature would have ariſen out of the meaſure. In the firſt place, Would the exports to, and imports from India, have been as great as they had been in the hands of the Company?

In

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In the next place, Through what hands could Government have brought home the ſurplus revenues?

On the firſt of theſe queſtions, it will be admitted, that the exports would have been regulated by the price which Europe goods could have been ſold for, in India. Had theſe prices fallen lower, the exports muſt have been abridged, till the ſcarcity of goods in the India market had again brought the price to the ſtandard, at which it would have yielded a profit to the merchant. The ſame reaſoning applies to the import trade; for if the exports either yielded little profit, or had been attended with a loſs, then the private merchant, or Company of Merchants, muſt either have ſent bullion or found credit in India, to purchaſe goods for the Europe market. Had matters been brought into this ſituation, the private merchant, no doubt, from connexion with perſons who wiſhed to remit their fortunes to Europe, might have purchaſed Indian produce on credit. This expedient, however, would have been precarious, and, at all events, expoſed to diſtant and uncertain payments, ſo that the India goods imported to Britain (and theſe pay the duties and cuſtoms to Government) would have decreaſed in their quantity, and the trade of foreign Companies upon a joint ſtock, have enabled them to ſupply the Europe markets with Indian commodities, inſtead of theſe markets, receiving them from the Engliſh.

If we put the caſe, that the preſent Company, continuing to trade on their joint ſtock to India, ſhould have become

come the moſt conſiderable merchant in the import trade, ſtill it might have rapidly declined, becauſe competitions with the private merchant, and with foreign Companies would neceſſarily have lowered the price of Indian goods at the Company's ſales.

Here the ſecond queſtion preſents itſelf: Through what hands, upon this plan, could Government have brought home the ſurplus revenue? That this ſurplus muſt be realized in Britain, through the import trade, and that it can paſs through no other medium, is an admitted and eſtabliſhed fact. The ſubject, therefore, for the conſideration at the time, muſt have been, through what channel, upon the plan of an open trade, could the ſurplus have been brought home for the benefit of the Public.

If the ſurplus had been entruſted to the credit of the private merchant, what ſecurity could Government have obtained, that the amount would be realized in the treaſury in Britain; or what ſecurity could individuals have given, that they would bring the goods to England, pay the duties to Government, or that they would not have carried them to foreign markets, to evade the payment of theſe duties. Had the ſurplus of the revenue been entruſted to ſuch merchants, they would have had it in their power to make their own terms, and might have reduced the value to the Public, either by offering a depreciated rate of exchange, or by demanding

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an unreaſonable length of credit. The inevitable conſequence would have been a decreaſe in the carrying trade of Great-Britain, and a diminution of the home duties and cuſtoms. If a preference had been given to the Company, ſtill a ſimilar depreciated rate of exchange and length of credit might have been demanded; and admitting their ability to pay the portion of the revenues, which they had taken credit for, their trade might have been unequal to the purpoſe of bringing home the whole ſurplus, and they might have made their own terms, for the amount which it might have ſuited them to take.

Conſequence ariſing from examining the foundation of this laſt doubt.

THESE hints go no farther than to fix attention on the commercial effect, which the open trade to India might have had, upon the means by which the revenues of the provinces form a part of the reſources of Great Britain. There was, at this time, an opinion, that an experiment might be made of an open trade to India. This experiment, however, it was foreſeen, might have had dangerous conſequences, for while the revenues from the Indian provinces can only be realized through commerce, it is problematical whether any but the trade of a Company, and upon the preſent ſyſtem, could have given ſecurity to the Public, that the ſurplus would be brought to Britain.

IT is admitted, that the trade to China muſt remain a monopoly, and in the hands of the preſent Eaſt-India Company;

pany; and it is proved, in the preceding plans, that India has, at leaſt, partially, and at times, contributed, in a certain degree, to the China inveſtment. It has been ſtated alſo, that the Company have been making efforts to widen the circle of their commerce from India to China, ſo as to diminiſh the quantity of bullion required in that market, where it is for ever to be loſt to circulation. Would it then have been expedient to weaken the credit of the Eaſt-India Company, by withdrawing from them the India part of their excluſive privilege? Would it have been prudent to ſtop the partial aids which India gives to the China inveſtments? Would it not check the general ſpirit of commercial enterprize, if the efforts of the Company to extend the circle of Aſiatic commerce were diſcontinued? Would it not, upon the ſuppoſition that the India trade had been, upon the whole, a loſing one to the Company, have been hazardous to take it from them; and yet to leave the China branch in their hands, when it is the connection of both branches which has rendered the whole a profitable concern? Would it, in fine, have been adviſeable to leave with them, what is confeſſedly profitable, and yet to have withdrawn from them what their immenſe ſtock and eſtabliſhed credit alone could ſupport? Could we have riſked, merely on ſpeculation, what we poſſeſſed in practice, both as a national reſource, and as one part of our political importance? Arts, manufactures, and trade, grow not out of plans: they ſpring from accidental events; and from political wiſdom, foſtering and bringing theſe events into a conſolidated ſyſtem. If we are to de-

cide from the hiſtory of mankind, we ſhall find ſuch ſyſtems rapidly to have diſappeared, whenever the ancient channels through which the trade has run have either been ſhut up, or when the ſtreams which have paſſed along theſe channels have been abſorbed or made to ſeek their way over tracts where they might be divided or obſtructed in their progreſs.

Fourth, a doubt whether upon this plan the debts of the Company could be diſcharged, and the expected compenſation given.

4. In the laſt place, it is left for conſideration, whether, even if the debts of the Company could be diſcharged by the time at which their charter expires, and whether, even if a compenſation could be given to them, for all the rights which they may ſuppoſe themſelves to relinquiſh to the Public at that period, the State could adopt any other ſyſtem of Indian affairs, than that of leaving the collection of the revenues with a Company, granting to it an excluſive privilege of trade, within the ſame limits, as the preſent; and retaining a controul over the appropriation of the revenues, and exerciſing a reſponſible executive power in India and in Britain? If the event could actually take place, that the Company's debts ſhould be paid off by March, 1794, and that the Public ſhould be able to make them a reaſonable compenſation for all their claims, one of two conſequences muſt follow; either the adoption of ſome ſuch plan of government and trade, as we have been conſidering, or entering into a new agreement with the Company, to prolong their excluſive privilege for a ſpecified number of years, upon their paying an adequate ſum to the Public. From the actual ſtate of their

debts

debts, at the period thefe plans were fuggefted, the liquidation of them, by the term referred to, could not take place; and from the war, in which neceffity and policy lately involved the Company, this *confummation* is ftill more diftant. It is, therefore, unneceffary to reafon on an hypothefis, becaufe fuch reafonings can be of no practical utility; let it fuffice to remark, in concluding thefe obfervations, that, it is for the intereft of the Public, fuch meafures fhould be devifed, for enabling the Company to difcharge their debts, or, at leaft, for putting them into the progrefs of being paid off, as may give frefh fpirit to the trade, and enable them to continue their efforts for enlarging the circuit of it. No meafures feem better calculated for producing thefe ends, than fome of thofe which have been propofed in the preceding plans. The intereft of the Company muft go hand in hand with that of the Public, which ought to participate with its tenants in the profits of the revenues. This end may, perhaps, be effected, by inferting among the conditions of a new agreement with the Company, that they fhall pay certain fums to the Public, at fpecified periods of their term, if Parliament, upon confidering the reports to be made by the Commiffioners for Indian affairs, fhall be of opinion, that the ftate of their funds is equal to the difcharge of fuch payments.

Termination of thefe doubts.

THE obfervations which we have made on the preceding plans, will have fhewn, that, near as the approaching expiration of the Company's term was, ftill many fubjects required

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required to be more fully examined, before any plan could be formed, ſo as to meet the wiſhes of the Public, reſpecting Indian affairs.

—in a plan for veſting the State with the territories, and leaving the trade under an excluſive privilege to the Company.

Among the enquiries which were inſtituted, and the opinions which were formed, from the reſults of theſe enquiries, the prevailing idea ſeems ſtill to have been, "that Government ſhould take into its management, the territorial poſſeſſions of Great Britain in India, but leave the Company with their excluſive privilege of trade for a ſpecified number of years."

With a view to introduce a plan upon this principle, the following queſtions have been aſked.

Preliminary queſtion reſpecting the buildings which would be required for Government, and thoſe which muſt be retained for the trade, with the anſwer.

1. "What buildings, of every deſcription, would be required by the Company, for the purpoſes of trade? and what buildings would be required by Government for the purpoſes of the civil, military, and revenue departments?" To this a general anſwer has been given with reſpect to Bengal. Here, it was thought, that all the buildings in the Old Fort and at Diamond Harbour, all thoſe at the Bankſaul, and all the dwelling houſes and warehouſes at the different commercial reſidencies and aurungs, which are, at preſent, the property of the Company, would be required for the purpoſes of trade. That all forts, barracks, magazines, ſtorehouſes, and all buildings not included in this deſcription, but which are, at preſent, public property, would

would be required for the purpofes of civil, military, and revenue bufinefs.

Remark upon the anfwer given to this queftion.

UPON this queftion, and the anfwers to it, it is to be obferved, that the right of the Company to its *public property*, is admitted, though, as a part of their *dead ftock*, it has a *real*, different from its *nominal* value. It, perhaps, would be impoffible to refund to the Company, the fums which they have paid for many of the buildings required for the military fervice alone, fuch as the cantonments at Berhampore and Dinapore; but it might be lefs expenfive to give a reafonable compenfation for them, than to build others. If the Company are to be merchants only, they could have no ufe for military cantonments. If thofe which they have built, fhould be abandoned, it might, perhaps, be dangerous, with refpect to the natives, who might feize on them, and if allowed to fall into ruins, it would fcarcely be equitable with refpect to the Company.

Second queftion refpecting the fum which would be required to purchafe thefe buildings from the Company, with the anfwer.

2. A SECOND queftion, connected with the preceding, was, what fum would be required to purchafe the claims of the Company on the buildings neceffary for the civil, military, and revenue departments; and to what fum would the building of others, for the fame purpofes, amount? In anfwer, it was ftated, that thefe buildings could not be eftimated without public meafurements and furveys, which, in themfelves, would be expenfive; and that, at all events, as *dead ftock*, it would be impoffible to calculate their

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their value, either from what they originally coſt, or from what the materials of them would, at preſent, bring; but that military barracks, in every reſpect, preferable to them, might be conſtructed for half the amount of the value which would be put upon the ſolid contents of the maſonry and timber in the old buildings.

Third queſtion reſpecting the ſum which the Company would aſk, as the value of their military ſtores, with the anſwer.

3. It was aſked, in the third place, "what might be the ſum which the Company would expect for their military ſtores?" To this an anſwer was given, "that the eſtimate, in the books of the military board, was current rupees, 52,30,000, or £.523,000, and that this had always been ſtated under the head of *quick ſtock*." It is, perhaps, unneceſſary to make any other obſervation upon this particular ſubject, than to ſay, that if the value of the military ſtores was to be paid for, under the propoſed ſyſtem of leaving to the Company the management of their commercial concerns only, they certainly would have an equal claim to the value of their fortifications, allowed to be public property, though, from the mode of keeping their accounts, the value of theſe could not be ſo nearly aſcertained, becauſe the ſums laid out on them, had always been included under the head of *dead ſtock**.

* There is this difference between the value of ſtores and fortifications, that the former is eſtimated on the quantity actually in the ſtorehouſes for uſe, whereas the value put on the latter, conſiſts not only of the original coſt, but alſo in that of the repairs which have been annually made upon them.

Fourth queſtion reſpecting the offices held under Government, and under the Company, with the anſwer.

4. It was made a fourth queſtion: What offices come under the deſcription of civil, military, revenue, and commercial departments? and what are the allowances annexed to each office? The anſwer with reſpect to the Bengal Preſidency was, in ſubſtance, that the *military* offices would appear in the returns. The offices in the *revenue department*, are thoſe belonging to the Board of Revenue and the Khalſa; thoſe ſubſervient to the collection of the cuſtoms, to the ſalt branch, to the ſuperintendence of the opium manufacture, to the adaulets, and, in general, to the collection of duties or rents of every kind. The offices in the *commercial department*, are thoſe of the Board of Trade, thoſe for the management of the import and export Warehouſes, and thoſe of commercial Reſidents or Agents. The offices, under the head of *Civil Department*, comprehend all the Company's civil ſervants who are not included in the two preceding departments. With reſpect to emoluments, that the books of the Military Auditor-general, and Civil Auditor, would, at once, ſhew the allowances of every office, except the advantage which commercial agents may derive from private trade.

Remark on this anſwer.

According to the ſyſtem, with a reference to which this queſtion was ſtated, the civil revenue and military departments were to be placed under the executive government at home, and the commercial department was to remain under the Company. Government, of courſe, would fix the duty to be paid on any article of trade, while the commercial

 board

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board would be, from the nature of the cafe, making frequent remonftrances againft fuch duties, as incompatible with the fuccefs of trade. If the duties on trade were to be impofed by the commercial board, as fervants of the Company, the trufts repofed in them would be at variance, for they would be both impofing and paying. The links in the chain are revenue and profits of trade, applied to fupport the civil and military eftablifhments, to purchafe inveftments, to pay off debts, and to afford dividends on the capital ftock. To keep them connected, the offices muft be either entirely in Government, or entirely in the Company under the controul of Government. No fuch difficulties could occur with refpect to the military offices; the army being only the coercive inftrument of the civil power.

Fifth queftion refpecting the number of civil and military fupernumeraries, with the anfwer.

5. It was ftated, as a laft queftion, What number of fupernumeraries would be wanted annually for the civil and revenue departments; and how many Cadets and Enfigns would be required annually, to fupply vacancies in the military department? The anfwer, for Bengal, was that about fix writers would be annually required, the number for the fubordinate Prefidencies, might be fuppofed lefs. That eftimating, by the average number of Enfigns, who have been brought upon full pay, for three years after the late peace eftablifhment was arranged, about fixteen Enfigns would be annually required for Bengal. It is eafy to form a conjecture, from the Madras and Bombay military eftablifhments,

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ments, compared with that of Bengal, what number would be neceſſary for each of them.

Upon looking back to the principal difficulties in the preceding plans which have been detailed, it muſt at once occur, that the queſtions were calculated to diſcover whether ſuch difficulties were real or not. Theſe anſwers have obviouſly the tendency to remove from the public opinion, the apparently politic, but really impracticable ſcheme of veſting the civil and military power with the adminiſtration of the revenues in the State, and leaving the commerce alone to the Company. In theory, this might be good, in practice, the anſwers to theſe queſtions ſhew, that it would be hazardous. The Indian provinces have been acquired and made of effectual ſervice to Britain through commerce, and through it alone, perhaps, can they either be preſerved to the empire, or made part of its productive reſources.

The reſult of theſe enquiries was, that this plan, in the preſent circumſtances, was impracticable.

These conſiderations brought forward the following plan, viz. to renew the Company's term for a ſpecified number of years, to continue them in the management of the provinces, but to render the controuling power more efficient, than the reglating act of 1784 had done.

The laſt plan which has been propoſed was, to renew the Company's charter, and to render the controuling power more efficient.

The obſervation with which the propoſer of this plan introduces it to notice, diſcovers his opinions to have been the reſult of ſtudy and of local information. Many weighty reaſons (he remarks) occur againſt the plan of ſeparating the

General reaſons aſſigned for adopting it.

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the revenues from the trade, and no ſolid advantages could be derived from placing the civil and revenue departments under the ſole direction of the executive power. If, on the one hand, the foſtering aid and protection, and (what is of equal importance) the check of the governments abroad were withdrawn from the commercial department, the Company would not long enjoy a new charter, but ſoon be reduced to a ſtate of bankruptcy; and if on the other, the commerce was not connected with the revenue, the beſt meaſures which could be deviſed for the management of it, would not render it productive.

Variations from the preſent ſyſtem propoſed in it, viz.

The alterations propoſed, are chiefly on the following ſubjects, viz. on the conſtitution of the Court of Directors; on the plans upon which the commerce is in future to be conducted; on the conſtitution of the Indian army; and on the connection to be eſtabliſhed between Government and the Company.

To new model the Court of Directors.

First, the author of the plan is of opinion, that the number of the Directors is too great to manage buſineſs which requires ſecrecy and political diſcretion, and that this Court cannot be made reſponſible. To remedy theſe evils, it is propoſed, that the number ſhould be reduced to twelve, or perhaps to nine. That they ſhould have ample ſalaries, but be prohibited from having any intereſt in, or connection with the contracts of the Company, or indeed any intereſt in the Company's affairs, as individuals, diſtinct from their ſhares in the capital ſtock entitling them to be Directors, becauſe

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this would interfere with the duties of their office. That the Directors ought not, in future, to have the power of appointing Governors, Members of Council, or Commanders in Chief; but that in the choice of the Members of Council, the executive power ſhould be limited to Company's ſervants, of at leaſt twelve years ſtanding; aſſigning as a reaſon, that the ſafety of the provinces, as well as the ſervice of the army and of the fleet in India, require that theſe offices ſhould be filled by perſons converſant in Indian affairs, as well as immediately anſwerable to Government. That the Directors, however, ſhould have a circumſcribed management of the whole of the Britiſh intereſts in India; that is, they ſhould be allowed to frame regulations for the appointment to offices in India, and to check and controul every article of expenditure in the Preſidencies: the greateſt attention ought to be paid to the repreſentations of the Directors, reſpecting the conduct of the Governors, Commanders in Chief, and Members of Council. If, after ſuch repreſentations, redreſs of a grievance complained of, ſhould not be given to the ſatisfaction of the Directors, that then they ſhould be veſted with the right to inſiſt on the recal of ſuch Governors, &c. and to inſtitute proſecutions againſt them before the Court, which has been eſtabliſhed for the trial of Indian delinquents.

To open the export trade to India.

Second, he is of opinion, that there is no objection to opening the export trade from Britain to India; but that the principal articles in the import trade from India to Britain, ſhould be confined to the Company. This laſt

meaſure,

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measure, he considers as necessary, because, without it, it appears doubtful, how far it could be practicable to remit the surplus revenue by bills of exchange; or possible to provide for the investments of the goods which pay the home duties to the state, and which bring foreigners to the British market. He contrasts this plan with the observations which have been made in the preceding plans on the Company's trade, and with the situation to which their commercial servants would be reduced, if a separation of the revenue and the trade should take place. To say, that when the Company were merchants alone, they were richer than at present, and that they would again become so, if reduced to be merchants only, is to forget that circumstances are totally changed. The Europeans, who at that time resided in India, were few; at present, they are numerous. Then, there existed no competitors to the Company; now, they are to be found in every aurung. Under such a change, the Board of Trade could not make up investments; no man of credit would remain in the Company's service, and those who would replace them, would be held to be of an inferior rank to the servants acting under His Majesty's appointment. The contempt with which the Company's servants would be treated, would soon become obvious to the natives, so that whatever abilities they might possess, or however liberally they might be rewarded, they would soon become of no use to the Company. To these considerations, perhaps, he thinks, might be added, that if the Company were confined to commerce only, jobbing at the India-house would encrease to such a degree, as to produce a bankruptcy. The more extravagant scheme, of throwing open the trade, would have the obvious,

vious effect of encouraging speculations, debasing the quality of the goods imported from India to Great Britain, and, might occasion the loss of this valuable branch of the trade. What he considers as an insurmountable objection to such a scheme is, that if the relation between the Government and the trade of India should be dissolved, the British provinces would be over-run by desperate speculators, from all parts of the British dominions; indeed, from every part of Europe, who would purchase goods of any quality; ruin, of course, the quality of the Indian manufactures; and, by sending the produce of them, indiscriminately, to all the European markets, soon put a period to our trade. No man, therefore (he concludes) acquainted with the manners of the natives, and with the internal state of India, would seriously propose to throw the export trade from India entirely open, if, in forming his judgment, he took into consideration the importance to the natives, of preserving their manufactures; and no man who had traced the relation which these manufactures bear to the revenue, and which both bear to our home resources, would think of a separation, that would render it impracticable for the Company to make up their investments, or to continue their trade.

To new model the army.

THIRDLY. He is of opinion, respecting the constitution of the army, that the European troops should all belong to the King, since experience has shewn it to be impracticable for the Company to find recruits for keeping up a respectable military

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military eſtabliſhment in India. That, however, it is highly expedient, that the native troops ſhould belong to the Company, and that the officers deſtined to ſerve in thoſe corps, ſhould continue to be in their appointment. The cadets for theſe corps ought to be ſent out at an early period of life, and ſhould conſider themſelves to be entirely devoted to this particular ſervice. Without a perfect knowledge of the language, and a minute attention to the cuſtoms and religious prejudices of the Sepoys, it would be impoſſible for their officers to gain their confidence and attachment, or to command them with effect. A practice too, would, of courſe, be introduced, if the Sepoy officers could exchange into the King's army, of ſelling their commiſſions to ruined officers in England, who, ſtrangers to and unfit for this foreign ſervice, would be held in contempt by their inferior officers, and in abhorrence by the native ſoldiers. As laws cannot be made to bind the King's prerogative in the exchange, or in the promotion in His army, it therefore would be the ſafeſt meaſure to make the Sepoy ſervice diſtinct from the European, and to leave the patronage of it with the Directors.

To fix and define, more preciſely than at preſent, the powers of the India Commiſſioners, and of the Court of Directors.

FOURTHLY. The obſervations on the connection which ought to ſubſiſt between Government and the Company, are in ſubſtance as follows: that the powers to be left with the Court of Directors, and thoſe to be given to the Commiſſioners for Indian affairs, ſhould be clearly and diſtinctly defined, not only as to their extent, but as to the mode of exerciſing them. That the Court of Directors ſhould have the

the appointment of writers for the civil branches of the ſervice, and of Cadets for the native troops; and alſo the right to make ſuch regulations (ſubject, however, to the approbation of the controuling power) as may, from time to time, be thought neceſſary for every part of the foreign government. That the Commiſſioners for India affairs ſhould be veſted with the right of inſpection and controul over every branch of the Company's concerns, without excepting their commerce. That the Directors ſhould not have the power of appointing or of recommending any of their ſervants to ſucceed to ſubordinate offices in India; but that this power ſhould be entruſted to the governments abroad. Such appointments have often been the conſequences of intrigue and of ſolicitation at home, and always have been productive of faction and of anarchy abroad. They have uniformly had the tendency to weaken the authority of the governments in India; ſo that while the Preſidents and Councils were apparently veſted with power and reſponſibility, they were frequently checked in the exerciſe of the one, and could not, of courſe, be called upon for the other. That it would be equally improper, to veſt Government with the power of appointing to ſucceſſions in the ſubordinate offices in India, as this might have ſimilar inconveniences, and would weaken the authority which this plan propoſed to give to the foreign Preſidencies.

Such is the outline of this plan, with the reaſons offered for the alterations which it recommends. The obſervation with which it concludes, " that it is eaſier

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to point out defects in any plan, than to substitute another good one in its place," is an apology for subjoining the following remarks upon it.

Remarks on the effect which these alterations would have on the responsibility of the Court of Directors.

First. On the alterations to be made in the constitution of the Court of Directors, it is doubtful how far the reduction of their number would render them more responsible; or how far responsibility, to the Public, is compatible with their character. To the Proprietors, indeed, who elect them, they are answerable for their conduct in the discharge of that trust which has been reposed in them; but the Proprietors, in themselves, form a small part of the Public, and can only be supposed judges of the profits which the trade yields, not of political measures. Indeed, if the controuling power be to extend over every part of the Company's concerns, the responsibility ought to be in it alone. In this way, it would be perfectly in coincidence with the principles of the constitution, as established and understood by the nation at large; and could, agreeably to this system, be made efficient, when reports on Indian affairs were made to Parliament.

—and on the proposed powers of this court.

It is doubtful, in the next place, on the proposed constitution of the Court of Directors, how far it would be expedient to give them the right of insisting on the recal of Governors, Commanders in Chief, or Members of Council, in the event of complaints against them, not being redressed to their satisfaction: and it is farther pro-

problematical, how far it would be proper to give to the Directors a power of instituting prosecutions against such Governors, Commanders, or Members of Council, in the court for the trial of Indian delinquents. Might not such right put it in the power of an individual, if of a restless or vindictive disposition, to bring forward representations against the first and best men in India; recal them, at a time, when, perhaps, their services were of the utmost importance to the preservation of the provinces; and distress them with a prosecution, which though ultimately found to be groundless, might, from the expenses attending it, ruin servants of the Company, who had merited rewards?

Remarks on the probable effects of the open export trade on India.

On the subject of the export trade to India, the proposition, however specious to the manufacturing interest of this country, would be extremely difficult in practice. Without entering into the question, how far it would be possible for the Company to render the Indian revenues productive in Britain, if the export branch of their privilege should be taken from them; the difficulty is to find out, how the open export trade could support itself, unless the import trade also should be entirely laid open. The ship of an exporter must, upon this system, return either with the produce of his cargo, in coin, or in such articles as might be allowed, which, from the competition that would naturally arise, would soon yield little or no profit. If the expedient should be proposed of allowing such traders to find a cargo in other countries

CHAP. II. within the Company's limits, they would, of courfe, refort to China and to the iflands; and as it would be impoffible to prevent their difpofing of cargoes, procured at either, before they returned to Britain, the foreign markets might be fupplied with China goods, independently of the Company's fales, and confequently the revenue arifing from the imports would be abridged, if not entirely loft. It is indeed difficult to fay what meafures ought to be adopted, which, at the fame time, would encreafe the exports and yet prevent thefe confequences.

Remarks on the propofed arrangement of the army.

On the fubject of new modelling the army, it will be admitted, that the inconveniences which have arifen from the circumftances in which the Company are placed, with refpect to raifing recruits, muft be totally removed, and that fome effectual mode muft be devifed for doing away the jealoufies between the King's and the Company's troops. If the European troops are to be the King's, the difficulty of finding recruits will no longer exift, becaufe it has totally arifen from the prohibition, under which the recruiting officer of the Company is placed, to enlift men in the fame open manner with the recruiting officer of the King. If, however, the Company are to remain with the fubordinate management of the whole of their Indian interefts, it will come to be one of the principal fubjects of confideration for Parliament,—How the Indian army can be modelled, in fuch a way, as to become a perfectly diftinct eftablifhment from the Britifh; and how the European and native corps are fo to be

be arranged in point of rank, that no caufes of jealoufy between them fhall in future exift. There can be little difficulty in declaring the European army in India, a diftinct eftablifhment from the home army: nothing more is required than to enact, that the officer who enters into the one, and acquires rank in it, cannot exchange with the officer who has entered into the other, and acquired rank in it; and to fix the promotion in the Indian army upon perfectly diftinct principles from thofe, upon which it proceeds, in the Britifh army. It naturally, however, will become a fubject of difcuffion for the Legiflature, whether feniority, at prefent the principle of promotion in the Company's army, fhould continue to be the principle of promotion in the King's European military eftablifhment in India. The great difficulty will be to adjuft the rank between the Sepoy officer, who, under this fyftem, is propofed to be left in the appointment of the Company, and the officer in the European corps, who is to be nominated by the King. The decifion upon this fubject muft evidently proceed from a review of the events, out of which our military eftablifhments in India have arifen.

To an accidental fuperiority in the art of war, the Europeans owed their conquefts and their poffeffions in India. Such fuperiority could be temporary only; for, in proportion as the natives have had opportunities to obferve, and to copy this art, we may prefume, they would be difpofed to adopt it. Few of them have, as yet, copied it with effect; and, perhaps, the fafety of the Britifh provinces

CHAP. II. vinces depends upon the continuance of the prejudice of the natives, in favor of their ancient method of carrying on war. In the ſingle inſtance in which any native Prince has laid theſe prejudices aſide, we have had expenſive proofs of the difficulty of reſiſting him. Monſieur Buſſy made his conqueſts with a corps leſs numerous than the vanguard of our army in the late war in the Carnatic; Colonel Coote oppoſed Hyder Ally, in 1763, with an army leſs numerous than Colonel Baillie's ill-fated detachment. It was with difficulty that the ſame General, at the head of 10,000 men, could repel the incurſions of Hyder Ally in the war of 1783. Our ideas of the timidity of the Sepoy corps, have now turned into admiration of their ſteady diſcipline and valour. As we cannot keep up a numerous cavalry to oppoſe the Indian Princes, our armies muſt now act in great bodies. So ſenſible were Hyder Ally and Tippoo Sultan of this circumſtance, that their leading object, in their late wars, was to cut off our detached parties, and to avoid general engagements. The inference is obvious; a large military force muſt be kept in India; only a very ſmall part of it can be compoſed of Europeans, the greateſt number muſt neceſſarily be native troops, commanded by European officers. According to the plan, we have been conſidering, the Cadets for the Sepoy corps are to be in the nomination of the Company, and their ſervices are to be limited to that corps. It will, therefore, be for the conſideration of the Legiſlature, to deviſe an arrangement by which the ranks of King's European, and Company's Sepoy officers may be equalized: particularly after

after either have attained to field rank, when the queſtion of command muſt often occur, and when preference to the one or to the other, would have the effect of continuing jealouſies detrimental to the ſervice, like thoſe which, at preſent, ſubſiſt between the King's and the Company's armies.

Remarks on the propoſed connexion between the executive Government and the Court of Directors, as it may affect the conſtitution of Great Britain or the intereſts of the Company.

On the ſubject of the connexion propoſed to be eſtabliſhed, between the executive government and the Company, much delicacy will be required. It is now perfectly underſtood, in Britain, that no greater ſhare of patronage ought to be veſted in the executive power, than is required to exerciſe that power with effect, and with advantage to the Public; and that the reſponſibility to which the executive power is conſtitutionally bound, is a conſtant check upon the improper uſe of it. It is alſo underſtood and admitted, that unleſs the perſons to be employed by the executive power, are ſubject to its perpetual controul, it would be impoſſible to make the Commiſſioners for the affairs of India reſponſible for the meaſures they may follow. Though then, this plan certainly furniſhes many of the greater lines for a ſyſtem of Indian affairs, it leaves the leſſer ones to be filled up, and theſe will become matters of not leſs difficult arrangement. The appointment of Governors, Councils, and Commanders in Chief, by His Majeſty, from whom they are to receive their inſtructions, and to whom they are to be anſwerable, in the firſt inſtance, may, at ſome future period, be a meaſure of policy. The declaring the whole European corps, ſerving

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CHAP. II. in India, to be an eſtabliſhment, under His Majeſty, diſtinct from the Britiſh army, would be a meaſure calculated to ſupply the Indian army with recruits, and to terminate diſſenſions among the officers. Whether, after the firſt nomination of a Cadet, either by the King or by the Company, promotion ſhould go on by ſeniority, at leaſt, as far as the field rank; and whether, after that point ſhall be reached, the promotion may not be left with the Commander in Chief, in India; are queſtions of expediency, which can only be ſolved, by a full conſideration of the nature of the ſervice and of the aſpects which, from time to time, it may aſſume.

As by this plan, the nomination of Cadets to the Sepoy corps is to be left with the Company, the patronage of the executive power is limited, in the only article, regarding the military department, in which it admits of limitation. It will readily be allowed, that as the Sepoy Cadets are to devote their lives to a particular ſervice, become acquainted with the language, cuſtoms, and religious prejudices of the ſoldiers, every encouragement which their country can give them, or the ſervice can afford, ſhould be paid as a debt due to merit. As by this plan alſo, the nomination of the writer, or civil ſupernumerary, is to be left with the Directors, they would retain the authority which they are beſt qualified to exerciſe. It will, however, become a queſtion, in the final arrangement of this part of the ſubject, whether, even upon this plan, the Sepoy officer ought not, upon his attaining the field

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rank, to be veſted with a King's commiſſion, and entitled, in common with the officer of the European corps, according to his ſtanding and merit, to be entruſted with a command.

The end propoſed in this review, is to prepare the Public to form, or to adopt a ſyſtem for Indian affairs, founded on the evidence of experience.

HAVING thus taken a view of the progreſſive plans which have been offered for the government of our Indian poſſeſſions, and regulation of trade, to the Eaſt-Indies; and having narrowly watched the approaches, which, in each of them, have been made to the actual ſtate of Indian affairs; having alſo ſuggeſted, in illuſtrating theſe plans, the references which muſt, on all occaſions, be made to the mixt tenure of conqueſt and of treaty, upon which we acquired and ſtill continue to hold our dominions, and to the relation which the revenue bears to the commerce, as well as to the domeſtic reſources and trade of Britain, we have collected the information, from which the Legiſlature may either form a plan, or examine ſuggeſtions leading to one, upon this great national ſubject. To the natives of India, a government muſt be given which ſhall accord with their prejudices and characters; to the Proprietors of India ſtock ſecurity for the value of their property; to the Directors regulations accommodated to the duty they owe to the Proprietors; to the State the means of more fully uniting a foreign dependency with the empire; to the commercial intereſt, imports and exports, which ſhall furniſh materials for the ſkill and induſtry of the manufacturer; and to the nation an extending navigation, and a revenue which ſhall at once add to its power and to its credit.

CHAP. II.

With the object of reconciling theſe ſeemingly various, but really connected intereſts, we may now, with propriety, draw into notice the outlines of a plan for the foreign government and trade of Britiſh India, and for the domeſtic regulation of Indian affairs, that ſhall reſt on the ſolid evidence of experience. The probity and good ſenſe of the Public will examine every propoſition in it, and adopt a part or the whole, as they may be coincident with the ſpirit of the conſtitution, and calculated to preſerve and to promote the commercial eminence of Great Britain.

HISTORICAL VIEW

OF PLANS

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

CHAP. III.

COMMERCIAL AND POLITICAL PRINCIPLES ARISING OUT OF THE NATURE OF THE TRADE TO THE EAST-INDIES; AND OF THE HISTORY OF THE COUNTRIES WITHIN THE COMPANY'S LIMITS, WHICH SEEM NECESSARY TO BE RECOLLECTED IN FORMING A PLAN FOR THE FUTURE ADMINISTRATION OF INDIAN AFFAIRS.

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Importance of the Britifh poffeffions and trade in the Eaft-Indies.

HAVING, in the introduction to thefe fketches, brought under review the leading events in the hiftory of Hindooftan, in connexion with the general progrefs of the Eaft-India Company, both before and fince the period when the commerce was connected with the Indian revenues; and having detailed the feries of plans, which have been offered to the Legiflature, or been fuggefted by thofe, whofe local knowledge abroad, or whofe opportunities at home, qualified them to give opinions upon the fyftem by which Indian affairs are regulated, we may now proceed to fubmit to confideration the commercial and political principles, which muft enter into any plan, that may be devifed, for the future administration of them.

THE importance of the government and revenues of the Britifh poffeffions in Afia, will readily be admited, if we confider either the extent of the Britifh provinces, the number of the inhabitants, or the actual amount of the revenues. The importance of the trade will become obvious, if we advert to the tonnage which it employs, to its forming one of the moft confiderable branches of our foreign navigation, to the quantity of Britifh manufactures exported to the Eaft, to the relation between the revenues of India and the trade, to the materials which the imports afford to our manufactures,

nufactures, or to the duties and cuſtoms which the Public derive from the imports. Hitherto the Legiſlature have been making experiments to prepare the nation for a plan of government, of juriſdiction, and of commerce ſuited to the diverſified characters of the Britiſh ſubjects in India, and to thoſe of our dependents and allies; and yet, on the renewal of the Company's privileges, or upon any plan which the Legiſlature may deviſe for the government of the Aſiatic provinces of Britain, as there muſt occur opportunities for further regulation and improvement, it will be difficult to conſolidate the whole into one great ſyſtem. Hitherto, in the ſame manner, we have been making experiments on the mode of rendering, through the Company, the trade to the Eaſt-Indies more extenſively uſeful to the nation; at firſt, obliging them to ſend out Britiſh produce proportioned to a certain amount of their capital ſtock, then enforcing this meaſure by regulations, as a national one; then trying to introduce a more profitable exchange with the Chineſe, upon the baſis of a commercial treaty; and laſtly, ſpeculating upon the queſtion, whether the quantity of Britiſh exports would become greater if the trade were opened, or if it be not already, as large as the demand will admit. After all the information obtained upon this ſubject, ſtill it will be an important conſideration how far the nature of the caſe will allow deviations from the eſtabliſhed practice, or the admiſſion of a new plan.

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Events and circumſtances upon which a plan for theſe national ſubjects muſt reſt.

Upon theſe national ſubjects the hiſtory of the countries which we govern, or to which the limits of the Company's trade extend, and the nature of the trade itſelf viewed in all its magnitude, muſt ſuggeſt circumſtances calculated to fix the attention of thoſe who are intitled to judge of what is practicable, and to pronounce on what is merely ſpeculative. The progreſſive grants and charters given to the Company, when recollected, will ſuggeſt the political principle upon which either their claims or their rights, as a body corporate, can be admitted or rejected. The magnitude of the Eaſt-India trade, and the immenſe property veſted in it, with the neceſſity of preſerving and invigorating the whole, will ſuggeſt the commercial principle upon which opinions may probably turn. We are not to conſider the Eaſt-India trade upon the narrow idea of a monopoly, calculated to enrich a few Directors and Proprietors; but upon the facts, that the commerce is conducted upon a large capital, that the ſharers in India ſtock are as numerous as they would be in an open trade; that the Proprietors are entitled to give their opinions upon every meaſure, which regards the Company's intereſt; that for a ſum of a leſſer or a greater magnitude, not only Britiſh ſubjects, but foreigners, can veſt their property in this trade; and thus, that it draws, as to a centre, large portions of the wealth of our own, and of other nations; that it extends and nouriſhes our navigation; that it affords a profitable dividend to the holders of ſtock, whether otherwiſe engaged in trade, or not, that it

it gives to the artiſt and to the manufacturer opportunities to diſpoſe of the produce of their ſkill and of their induſtry, and to the merchant a field for his enterprize; that thouſands receive a livelihood from the Company, either from employment in England or in their ſhipping, who, upon the plan of an open trade would be left in a ſituation, the diſtreſſes incident to which we may conjecture, but could not relieve; that, in one word, the Eaſt-India Company may be conſidered as the Britiſh nation trading to Aſia, bringing home the ſurplus revenues of provinces in a manner which enſures the duties and cuſtoms to the Public, and that Britain has obtained a weight in the trade which other European nations can neither balance nor bear down. CHAP. III.

THE events which firſt led the Legiſlature to inſtitute enquiries into the actual ſtate of Indian affairs, and the gradual manner in which theſe enquiries terminated in eſtabliſhing the controul of Government over the political and financial concerns of the Company, the improvements which the experience of the executive power has introduced, as circumſtances required, the knowledge which has been obtained of the manner in which this ſuperintendence can be exerciſed with ſafety to the conſtitution, will unite in ſuggeſting the political principle upon which the domeſtic adminiſtration of Indian affairs muſt neceſſarily reſt.

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Commercial and political principles to be recollected in deviſing a plan for Indian affairs.

IT may therefore tend to facilitate the formation of a plan for the future adminiſtration of Indian affairs, if commercial and political principles, illuſtrated by the events, out of which they have ariſen, and by the documents and accounts which form the authenticated evidence of their juſtice and propriety, ſhould be brought forward to the notice and recollection of thoſe, who are to decide on this national ſubject.

I. The Legiſlature may diſpoſe of the Britiſh poſſeſſions in Hindooſtan, and trade to the Eaſt-Indies.

FIRST. *The territorial poſſeſſions of Great Britain in Hindooſtan and its dependencies, and the right of diſpoſing of the trade to India, the Eaſtern Iſlands, and to China, will belong to the Public in March* 1794, *and the State may then re-grant them, by a new charter, to the preſent Eaſt-India Company, (which will remain a body corporate, intitled to trade to the Eaſt-Indies, on a joint ſtock,) or it may retain the territories and revenues, to be at the diſpoſal of the Public, and lay open the trade to all the ſubjects of this realm.*

Illuſtration, —from the progreſſive grants and charters given by the State to the Eaſt-India Company.

QUEEN Elizabeth, by charter, dated 31ſt December 1600 (the 43d of her reign), erected the London Eaſt-India Company into a body corporate and politic, to have ſucceſſion, entitled to purchaſe lands, and to be under the management of a Governor, Deputy-governor, and twenty-four perſons, to be called *Committees*, who, jointly, were to have the power of directing voyages, to have the proviſion of ſhipping and merchandize, and, in fine, the adminiſtration of whatever might belong to the Proprietors. Thus defined, the Company were empowered " to trade into the countries

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of Aſia, Africa, and America, or into any of them, beyond the Cape of Bona Eſperanza, to the Streights of Magellan, where any trade or traffic of merchandize might be uſed, in ſuch manner as ſhould, from time to time, be agreed on at any public aſſembly, or Court of the Company. This firſt charter contains alſo the proviſo, "That in caſe theſe privileges were hereafter to appear not to be profitable to the Crown and Realm," then, upon two years notice to the Company, the charter was to ceaſe and determine; but if profitable, then the Queen promiſes, at the end of fifteen years, upon the Company's ſuit, to grant them a new charter for fifteen years longer.

On the 21ſt of May 1609, James I. renewed the deed of corporation with ſucceſſion and perpetuity, confirmed the Company's conſtitution, and reſerved the power in the Crown, to reſume its rights on three years notice.

On the 3d of April 1661, Charles II. renewed their charter to the Company, upon the ſame principles, with the additional powers of exerciſing civil and criminal juriſdiction in their factories, &c. according to the laws of England; of exporting warlike ſtores, of making war and peace, of fortifying their ſettlements, and of ſeizing interlopers. The Preſidents and Councils, in their factories, were farther allowed to puniſh offences, according to the laws of England. In 1669, the ſame ſovereign granted them the iſland of Bombay, and, on the 16th of December

1674,

CHAP. III. 1674, the iſland of St. Helena, to be held in as ample a manner as it came to the Crown. Bombay was to be held in *ſoccage*, at £.10 per annum rent, but without any power to alienate any part of the iſland, except to the ſubjects of the Crown of England. The Company alſo were allowed to eſtabliſh Courts of Juſtice in theſe iſlands, exerciſe martial law, and further, the powers granted for the iſland of Bombay, were made to extend to the other ſettlements of the Company. Theſe privileges were again confirmed by a new charter, dated 6th October 1677, with the additional right of coining money in India. By another charter, in 1683, the Company were again inveſted with the government of their forts, the power of making peace and war, of muſtering forces, of exerciſing martial law, and of erecting Courts of Judicature, reſerving to the King his ſovereignty. James II. afterwards confirmed theſe privileges by a new charter of the 12th April 1686, ratifying this power of enforcing martial law, of appointing Admirals and Captains, of making war on Indian Princes, &c.

Upon the Company's non-payment of the duty of 5 per cent. which had been impoſed on their ſtock by the 4th and 5th of William and Mary, theſe charters were forfeited, but reſtored by a new one, in which the Company were bound by two acts of regulation, to conform to ſuch orders as the King, with the advice of his Privy Council, might expreſs and direct.*

* The deeds of regulation are dated 11th November 1693, and 28th September 1694, and were carried into effect.

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The opinions of the Public, at this juncture, were much divided respecting monopolies, and the value of the Indian trade; as well as respecting the conduct and management of the London Company in particular. In consequence of this state of public opinion, Parliament listened to the offer made, by a new association, of a loan of £.2,000,000, at 8 per cent. erected the *English East-India Company*, and transferred to them privileges which, it was soon found, were incompatible with those that the Bill of Rights had confirmed to the old Company. Hence arose the necessity of uniting the two Companies, and of forming that one which at present exists.

This event took place in the year 1702; after passing through the forms of a resignation to the Crown. The whole privileges of the *London Company*, from royal grants and licences, and the whole rights of the *English Company*, from the charter 1698, were confirmed to the *United Company of Merchants trading to the East-Indies*.

By an act, the 10th of Queen Anne, the clause for determining the exclusive privilege, after three years notice, from the 25th of March 1726, was repealed. The debt due, by the Public to the Company, was encreased to £.3,200,000; the annuity on which was fixed at £.160,000; and their term prolonged to 1733.

By the 3d of Geo. II. upon the Company's giving £.200,000 to the Public, and agreeing that their annuity should

CHAP. III. ſhould be reduced to £. 128,000, their term was prolonged to one year's notice, after the 25th of March 1736.

MATTERS remained nearly in this ſituation till 1744; when, by the 17th of Geo. II. upon the Company's agreeing to advance £. 1,000,000 further to the Public, at 3 per cent. (which raiſed the debt due by Government to them to £. 4,200,000) their term was extended to 1780, and by 23 Geo. II. the intereſt on the whole debt to the Company, was fixed at 3 per cent. making the annuity £. 126,000.

IN 1767, the Company agreed to pay £. 400,000 annually, to the Public, for two years, as a ſpecies of quit-rent of the territorial acquiſitions, which their forces, in conjunction with thoſe of the King, had, during the war, acquired for the nation; and, in return, had their territories granted to them for two years.

BY the 9th of Geo. III. the annual payment of £. 400,000 was continued to the Public, for five years, after 1769, by half yearly payments of £. 200,000 each; and the territorial acquiſitions confirmed to the Company till 1774.

BY the 13th Geo. III. the Public advanced £. 1,400,000, to be applied for the relief of the Eaſt-India Company, and poſtponed the payment of their quit-rents, &c. eſtabliſhed the Supreme Court of Judicature, and the ſupremacy of the government of Bengal. The 19th of Geo. III. continued the territorial acquiſitions to the Company, till the 5th of April 1780.

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By the 20th of Geo. III. the loan of 1773 having been repaid by the Company to the Public, and the bond debt reduced to £.1,500,000, the territorial acquisitions were continued to them till 5th April 1781.

By the 21st Geo. III. the exclusive privilege and territorial possessions were confirmed to the Company, on payment of £.400,000 to the Public, till March 1791; when, upon three years notice, to be given by Parliament, their exclusive privielge of trade was to cease and to determine. This act, however, in the terms of all the preceding grants and acts, specified, that the Company, even after the expiration of their term, were to continue a body politic and corporate, entitled to trade to the East-Indies on their joint stock.

Upon these acts the East-India Company have continued, not only their characters of merchants and delegated sovereigns, but their property is now of two perfectly distinct kinds, viz. the sums employed in trade, and the amount of the revenues annually derived from the territorial possessions. The first may be considered as absolute property belonging to them as merchants; the second, as property to which their charter, from the Public, gave them a legal claim till their term should expire.

Taking then the original charter of the Company from Queen Elizabeth, as the basis of all the subsequent grants and charters, down to the union of the *London* and *English* Companies, into one view, and then considering all the Result.

CHAP. III.

charters that have proceeded upon acts of parliament, before and ſince the Company acquired the territories into another, it is evident; in the *firſt place*, that the whole rights of the Eaſt-India Company have been conveyed to them by the ſtate, for the purpoſes of promoting and encouraging trade, within certain defined limits: In the *next place*, that the privileges of acting as delegated Sovereigns have been given to them, in conſequence of a ſucceſſion of political and commercial events; and, therefore, by law, ceaſe and determine, at the expiration of their excluſive charter. Judging, therefore, of the right of the ſtate to diſpoſe of the Britiſh trade and territories in the Eaſt-Indies, from all the circumſtances which have attended the progreſs of the Eaſt-India Company, and from the motives which have actuated the Legiſlature, the inference is obvious; that the ſtate has the right both to diſpoſe of the trade within the preſent Company's limits, and of the territorial poſſeſſions which have accrued to it, in the manner that it ſhall deem the moſt beneficial for the Britiſh nation, the Company ſtill retaining a right to trade on their joint ſtock.

Oppoſite arguments which have been maintained upon this reſult.

THOUGH the right of the ſtate has been admitted, upon the opinions of the firſt lawyers of Great Britain, it has been made a queſtion, and will naturally occur in the moment of diſcuſſing Indian affairs, how far the Public, in equity, ought to avail themſelves of that right. The reaſonings upon this ſubject may be divided into thoſe of the political œconomiſts, and thoſe of the lawyers. The former have aſked, on the one hand,—Is it proper to have a Company

pany of Merchants, acting as Sovereigns, when they themselves are only subjects? Is it prudent to have a lesser wheel turning on a different centre from the greater wheels of government? Has not the state, by law, a right to what the subjects acquire by arms, or by treaties? And, ought it not to assume this right, and declare to its Asiatic subjects, the immediate relation subsisting between them and the British sovereignty? They have asked, on the other hand,—Have not the territorial possessions been controuled by the executive government, responsible to Parliament? Have not the territories of the Company been accessories to the chartered rights of the Proprietors, acquired by the skill, the industry, the bravery, and the good fortune of their servants abroad? Would it be proper to deprive them of the territories, or would it be consistent with a liberal interpretation of the charters under which they acquired them? If, even upon the ground of public expediency, the Company were to be deprived of their exclusive privilege of trade, or of the revenues which have ministered to its support and prosperity; would they not be entitled to a compensation equal to the sums which have been risked in carrying on the one, or in acquiring the other? Would they not be entitled to the present value of both, and to the probable profits on the amount which they have expended? Ought not, in fine, the Company to have a reward for the exertions and industry, which have placed our Indian empire in its present state of prosperity?

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The opinions of the lawyers on this ſubject have been different with reſpect to the general reſult. On the one hand, they ſay, that whatever ſubjects acquire by treaties, or by conqueſts, they acquire for the ſtate; and they ſupport this concluſion, with the reſpectable opinions of Chancellor York and Earl Camden, and the reſolution of the Houſe of Commons in 1773. On the other hand, they aſſert, that though this principle of law be admitted, yet it does not apply to the novel caſe of the Eaſt-India Company. The purchaſes which it has made ſince its firſt inſtitution, and the phirmaunds and ſunnuds, by which theſe purchaſes or acquiſitions have been confirmed, have all ariſen out of the ſpirit of the ſucceſſive charters, which made the Company a body corporate, with ſucceſſion and perpetuity, and gave them a right, not only to make theſe purchaſes, but to diſpoſe of them to the ſubjects of this realm. The conqueſts too have been made under public authority; and, as a private ſhip of war has a right to her prize, ſo the Eaſt-India Company, being authorized to arm, make repriſals, conqueſts from, and treaties with Indian powers, has a virtual right to its acquiſitions. It is true, that in 1794, in conſequence of the notice given by Parliament, the excluſive right of trade may be taken from the Company: but ſtill it is admitted, that it will retain a right to be a body corporate, and to diſpoſe of its legal property. It will therefore be extremely difficult to give to it a compenſation, upon a liberal view of all the circumſtances.

It

It remains then with Parliament to judge, whether it will be moſt for the advantage of the Public, to continue the trade with the preſent Eaſt-India Company, in connexion with the revenues of our Aſiatic poſſeſſions; or whether it will be expedient to aſſume the revenues and poſſeſſions, and to place them under the immediate direction of the executive power, continuing the excluſive privilege of trade with the Company, or laying it open to all the ſubjects of this realm.

II. The Eaſt-India Company, as a body politic, muſt either have its charter renewed, or be enabled to diſpoſe of its property, diſcharge its debts, and realize the value of its ſtock.

SECOND. *That the preſent Eaſt-India Company, from the tenor of all its charters, having a right to remain a body politic and corporate, and to trade to the Eaſt-Indies on its joint ſtock, muſt either have its charter renewed for a limited time, or if its excluſive privilege ſhall ceaſe and determine, it muſt have the liberty of diſpoſing of its property, be enabled, under the circumſtances in which it may be ſituated, at the expiration of its charter, to diſcharge its juſt debts, and to realize the value of its proprietary ſtock.*

Illuſtration, —from the nature of the original conſtitution of the Company.

THE review which we have taken (in the preceding article) of the charters which originally conſtituted, and have, through a long ſeries of years, ſupported the Eaſt-India Company, as well as the facts and events which have marked their progreſs, leave no doubt of their legal exiſtence, even ſuppoſing their excluſive privilege to be taken from them. This being admitted, the queſtions which will naturally come to be anſwered, before an aſſent can be given to the principle now announced, will be, in the firſt place,

CHAP. III. What compenſation will be due to the Company? In the next, What inconveniences will it be in the power of the Company, trading upon a joint ſtock, to bring upon other merchants who may engage in the commerce to the Eaſt-Indies?

—from the nature of their quick and dead ſtock abroad and at home.

THERE can be no doubt, that, as a legal body, the Company have a right to diſpoſe both of their *quick and dead ſtock* at home; and there can be as little doubt, that they will have a title to diſpoſe of their *quick ſtock* abroad. It will however, be a matter of diſcuſſion, how far they are entitled to diſpoſe of their forts, factories, or ſeats of trade, or, in general, what is termed their *dead ſtock* abroad; or what compenſation they might expect for this ſtock, if it ſhould be aſſumed by the Public.

IT appears, that the Company obtained the iſlands of Bombay and St. Helena, *in ſoccage*, from the Crown, the latter for a quit-rent of £.10 *per annum*; and that theſe iſlands were to be held by the ſame tenure as the manor of Eaſt Greenwich. And that if the Public did not grant them the ſame defined legal rights to the other ſeats of their trade, or to the diſtricts round their factories, which they had acquired by purchaſe, and for quit-rents to the country powers, anterior to their conqueſts, that it was becauſe ſuch grants from the Crown of England were not neceſſary to them as a body politic, or becauſe theſe grants could not be given by a power which had not a right to diſpoſe of that property, as it had of

of Bombay and of St. Helena, of Calcutta and of Fort St. George; but had only the right to authorize the Company to make purchaſes, and to acquire or to diſpoſe of ſuch a property, &c.

Though no queſtion, reſpecting the territorial acquiſitions, to be derived from conqueſts or from treaties (as the Company repreſented the nation), could then be inſtituted, a new difficulty certainly preſented itſelf when that ſpecie of property had been obtained. It may therefore be expected that the Company ſhall aſcertain what part of their dead ſtock they got by purchaſe, or for a quit-rent from the country powers; and what property they have acquired by conqueſt, or authorized treaties. That they have a right to the firſt of theſe kinds of property, or to the original purchaſe money given for it, or to its preſent value, may be admitted. That they have no right to their conqueſts, or to the ceſſions made to them by the country powers, the law has eſtabliſhed. It is, therefore, for the Legiſlature to pronounce, whether their holding from country powers, gives them claims of any kind.

—from the title which they have to interfere with merchants trading to the Eaſt-Indies.

Supposing then that the Public have formed a decided opinion on this ſubject, and that it has given to the preſent Eaſt-India Company that compenſation for their *foreign dead ſtock*, which, in juſtice, is due to them, and which the equity and liberality of the Engliſh nation will chearfully pay, ſtill a difficulty will ariſe with reſpect to the interference in trade, to which the Company will be entitled, either with

any

CHAP. III. any new body of merchants, or with private traders to the Eaſt-Indies. With the former, the interference would bring on that competition, which, from the nature, both of the China and India trade, could not but terminate in the bankruptcy of the one or the other. With particular adventures, the interference would not only have this tendency more quickly, but, in the China trade (from the political maxims of the Chineſe), might expoſe all the ſubjects of the King, trading to that country, to perſonal danger, and their property to confiſcation, and might ultimately throw the trade into the hands of rival European companies.

It will therefore be for the wiſdom of Parliament to deviſe, in what manner the Company are to be prevented from interferences, either with a new mercantile aſſociation (if it ſhould be conſtituted) or with individual traders, if the commerce ſhould be thrown open.

—from their obligation to diſcharge their debts.

Supposing then, that both of theſe difficulties could be removed, viz. the ſatisfying of the Company for their foreign dead ſtock, acquired by purchaſe and treaties; and the preventing their interference, in their corporate capacity and with their joint ſtock, with any new mercantile aſſociation, or with the free traders, it will next come to be conſidered, in what manner are the debts of the Company to be diſcharged? and how are the Proprietors to recover the value of their ſtock?

According

ACCORDING to the accounts made up at home of the debts of the Company, for the 1ſt of March 1793, they amount (including the transfer debt) to the ſum of £.15,601,069. If we exclude from the amount of this debt, firſt, a ſum equal to the debt due by Government to the Company, (£.4,200,000) leaving it to be ſet off againſt the annuity due, or that may be ſold by the Company; next, if we leave out the capital due to the Proprietors of Eaſt-India ſtock, amounting to £.5,000,000, and ſuch floating debts as occur in the common courſe of their buſineſs, amounting to £.2,454,579 (becauſe an equivalent for both theſe will be found in the aſſets of the Company at home, afloat, and abroad, amounting to £.12,913,854, excluſive of the debts owing to the Company in India), ſtill the debt at home is £.3,946,490. It is impoſſible, at preſent, preciſely to aſcertain what the amount of the debts in India, bearing intereſt, was at the concluſion of the late war. According to the lateſt accounts received, the debts in India, bearing intereſt, amounted, on the 31ſt January 1792, to £.6,933,943, and the floating debts to £.2,150,607, being in the total £.9,084,550. CHAP. III.

IT is difficult to ſay, what may have been the total expenſes of the late war, in which Great Britain has been engaged in India. But, whether, on adjuſting the accounts abroad, it ſhall be found, that the Company's affairs are better or worſe than the above ſtatement, it affects not the principle, that they muſt be enabled to diſcharge their debts.

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And from their claim to the value of their Proprietary ſtock.

It will likewiſe be admitted, that the Proprietors of India ſtock have an equitable claim to the fair value of that ſtock; and, though it would be difficult to ſay, at what ſum the Public ought to fix this value, yet it certainly ought to be at a ſum that would yield (from legal intereſt) an equivalent to the 8 per cent. on the £.100, ſtock, which the Proprietors now actually draw. The Proprietors, as has already been ſtated, have a right to their original ſubſcriptions; and, it will alſo be admitted, that they entertain a reaſonable expectation either of being allowed to continue their trade, or to receive ſome compenſation, if deprived of the profits which they at preſent draw from it.

From, then, the political character of the Company, as a body corporate, and from the right which it poſſeſſes (even ſuppoſing its excluſive privilege to ceaſe and determine), to continue to trade to the Eaſt-Indies, on its joint ſtock, and conſequently to interfere with any new body of Merchants to which the Public might transfer the excluſive privilege, or with individual merchants, on the ſuppoſition of an open trade; from the condition in which the Public muſt leave the preſent Company to diſcharge its juſt debts, and from the reaſonable hope of the Proprietors to recover the equitable value of their proprietary ſtock; it will remain for the wiſdom of Parliament to pronounce, whether the preſent ſyſtem of Aſiatic commerce ought to be continued, or whether it is to deviſe a new plan, that ſhall be adapted not only to the preceding purpoſes, but calculated to give freſh vigor to this important branch of our trade and navi-

 gation

gation, and to render that trade, in its connection with our Asiatic provinces, a productive resource of the British empire. CHAP. III.

THIRD. *The system which is fitted for the preservation of the British East-India trade, must arise out of the nature of that trade, and can only be established on the events which have brought the trade to its present extent and magnitude. If any plan should be adopted, originating in speculative schemes of commerce, the permanency of our present Asiatic commerce might be endangered, and the balance of profit, arising from it, with the benefits which the resources of Great Britain receive, might pass into the hands of rival European Companies.*

3. A system for the East-India trade must arise out of the nature of that trade, which might be lost to Britain by any attempt to turn it into a new channel.

IN order to illustrate this principle, we have *first*, slightly, to advert to the general sources of the East-India trade; *next*, to refer to the sources and extent of the *China trade*; and, *lastly*, to the sources of the *India trade*, both before we had territories, with which to connect it, and since that event has made the trade, the means by which the revenues from these territories can be realized in Britain. A few facts, without any reasonings on them, will illustrate the principle, which has been announced, or establish it as an inference from experience.

Illustration from the sources of the trade—

IN a preceding part of these sketches, we resorted to the principle in commercial œconomy, that trade arises not out of plans or systems, previously laid down, for creating or im-

—which originated in accidental events;

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proving it. The Britiſh trade to the Eaſt-Indies, will illuſtrate it. The accidental diſcovery of the paſſage by the Cape of Good Hope, ſhut up the ancient route of the trade between the Eaſt and Europe; this event happened to coincide, in time, with the general ſpirit of adventure, which prevailed on the decline of the feudal ſyſtem. England, in common with the other nations of Europe, felt and cheriſhed this diſpoſition, and the wiſdom of the politic Elizabeth perceived, that the natural reſource of her kingdom conſiſted in manufactures and commerce.

—that were improved on by political meaſures,

The Portugueſe had already diſcovered the navigation to the Eaſt-Indies by doubling the promontory of Africa, and had created to themſelves an empire and a trade in thoſe parts of Aſia which hitherto had not been viſited by the Europeans. The Dutch, now ſtruggling for independence, acquired a ſhare in the commerce, as well as in the eaſtern dominions of the Portugueſe. Great Britain, at this juncture, was but commencing her commercial career; the uſeful arts, in England, were as yet few; the ſuperior value of our produce was not yet known; and the credit of our merchants but beginning to gain ground, and unequal to great commercial enterprizes.

—in imitation of thoſe of Portugal and of Holland.

It may, therefore, be eaſily inferred, that when England entered upon the Eaſt-India trade, it was an adventure, in imitation of the Dutch; like them, the London Company collected bullion in Europe, carried out ſmall quantities of woollens

woollens and other manufactured productions, and thought of nothing beyond the profits which the fales of their imports from the Eaft would produce. CHAP. III.

First deftinations of the Eaft-India Company's fhips.

By degrees, however, the Englifh trade to the Eaft-Indies began to affume diftinct forms: fome of the Company's fhips were fent to the Eaftern Iflands; others of them to the Peninfula of India. As the Portuguefe and Dutch had fet the example of fixing feats of trade, with guards to them, in India and in the Iflands, and houfes of trade (being all that was allowed to them) in China; the London Company eftablifhed factories, adding to the number, as their commerce and their importance in the Eaft encreafed. Some of the Company's fhips went to India, and returned with cargoes to Britain: others of them went from India to the Spice Iflands and to China, with the object of compleating their cargoes, and, after a circuitous voyage, returned to Europe, to be rewarded by the profits from the fale of them.

Progreffive lines of their commerce, till the acquifition of territories.

It appears, that when the Eaft-India Company traded upon fhares, not upon a joint ftock, their trade was fcarcely able to fupport itfelf; for they divided very fmall profits, compared with thofe which the Dutch drew at the fame period. No fooner, however, had they imitated that nation, by trading on a joint ftock, than their commercial importance began to increafe, and the demands for Britifh

 exports,

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Several circumstances will enable us to trace the lines of their progress, viz. the gradual manner in which they were permitted to export bullion; their exports of goods and stores; the bills drawn on the Court of Directors; and the amount of their sales in Europe, down to the period when they became possessed of the Duannee. In the Company's first charter they were allowed to send yearly, £.30,000 in foreign coin or bullion, provided £.6,000 should first be coined in the Queen's mint. This sum varied till 1616, when the advantages of trading upon a joint stock were fully perceived, and this system adopted by the Company. In the following year they were permitted to carry out foreign coin to the amount of £.100,000, and afterwards, by similar grants allowed, in case they could not make up the requisite quantity of silver, they were allowed to export £.30,000 in foreign gold. For a considerable time after this period, the quantity of bullion exported was left indefinite. Apprehensions, however, began to be felt by the Public, respecting the pernicious consequences of draining the coin in circulation from the kingdom. Hence the reason why the Company were obliged to import, within six months after the voyage, at least as much silver as they had carried out in that voyage.

By the union of the London and English Companies, the capital and the trade were greatly encreased. The trade, however, continued to be carried on chiefly by the exportation of bullion,

bullion, of which the quantity ſent, on an average of ten years, 1700 to 1710, was about £.300,000 per annum. As the trade encreaſed, the quantity of bullion exported encreaſed, and, on an average of ten years, 1721 to 1731, the amount was about £.550,000 per annum. In order to place the progreſſive ſtate of the trade in an obvious point of view, we have only to ſubjoin a ſtatement of the ſums paid for bullion exported, for goods and ſtores exported, and for bills drawn on the Court of Directors, and the amount of ſales from 1732, (when the Company's annual accounts became regular) to 1767, at which period, beſides their conqueſts, they were in full poſſeſſion of the Duannee. CHAP. III.

	Paid for Bullion exported.	Goods and ſtores exported.	Bills drawn on the Court of Directors.	Sale of Goods.
From 1731 to 1741, average of 10 years,	£.464,574	152,609	167,410	1,700,675
1741 to 1747, — 6 years,	567,238	189,411	230,914	1,907,105
1747 to 1757, — 10 years,	767,057	267,730	164,482	2,143,459
1757 to 1767, — 10 years,	121,287	428,707	432,891	2,315,573

The largeſt quantity of bullion, exported in one year, was in 1753, when the amount of £.667,923 was ſent to India, and £.276,333 to China, making £.944,256. The largeſt average is from 1747 to 1757, being £.767,057, of which £.564,423 was ſent to India, and £.202,634 to China. The Company's conqueſts in India, at this juncture, rendered it unneceſſary to continue the export of bullion thither, and accordingly of the average amount £.121,287 from 1757 to 1767, £.97,074 was ſent to China, and the remainder to Bencoolen, St. Helena, &c.

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Change produced in it by the war of 1756.

The fources of the trade to the Eaft-Indies, notwithftanding the revolutions on the peninfula of India, continued to be nearly the fame, till the ambitious fchemes of France, on the Coromandel Coaft, forced the Eaft-India Company to take up arms. With the affiftance of His Majefty's fleets and armies, they became (under their charter) delegated fovereigns of rich provinces. This event, of courfe, gave a new character to the trade. The object in the India branch of it was now, not only to continue the commerce, but to bring the furplus revenues of the conquered or acquired provinces to Britain. The ancient object in the China branch of it remained, as well as the competition in that market with the other European nations. It was now, however, expected that the fuperiority of the Englifh would be fully eftablifhed, in confequence of the command of Indian produce and bullion, to be exported to China. It was expected alfo, that the exports of Britifh produce would be confiderably augmented, both by diffufing them over the provinces, which had fallen to us, and among the nations of India, to which our political influence extended. How far thefe expectations were fulfilled, will appear from the account of the China trade, and from comparing the following ftatement with that already given.

			Paid for Bullion exported.	Goods and ftores exported.	Bills drawn on the Court of Directors.	Sale of Goods.
1767 to 1777,	average of	10 years,	£.110,042	489,081	458,768	3,313,386
1777 to 1784,	—	7 years,	5,653	500,089	761,425	3,134,964
1784 to 1790,	—	5 years,	617,930	635,145	1,551,985	4,572,466
1790 to 1793,	—	3 years,	466,893	935,776	668,366,	5,103,094

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It now assumes two distinct aspects.

Though these averages shew the state of the trade in general, and the variations it has undergone in being brought to its present extent, it is necessary to consider the two branches of the trade to China and India separately, in order to point out the circumstances which have affected each. It appears, that immediately after the acquisition of the territories, the Company's sales rapidly increased, that during the war which terminated in 1783, they decreased, and that since the passing of the Commutation Act, they have far exceeded the amount at any former period*. In considering the respective branches of the trade, we shall advert more particularly to these variations, beginning with the China trade, which has continued to be carried on upon the same principles, as it anciently was, except in the relation which it now bears to India, as a circuitous means of bringing home the surplus revenues; and then examine the India trade, both in its relation to China and to Europe.

1. Trade to China.

In treating of the China trade, before and after the acquisition of the British territories in India, we shall refer to the bullion sent to China, to the exports of British manufactures, to the imports from that country, and lastly, to

* The large amount paid for bills between 1784 and 1790, which far exceeds the proportion of the other periods, was principally occasioned by the great number of bills drawn from India about the close of the war. In the preceding statement of the sales of goods, the amount received of Government for saltpetre to 1784, is omitted: including that amount, the average, from 1767 to 1777, would be £.3,268,297, and from 1777 to 1784, £.3,049,670.

CHAP. III. the amount of the ſales at home, in order to ſhew the ſtate of the trade, when it was carried on upon the general principle of exporting goods and bullion, and importing China produce, either as raw materials for our manufactures, or as articles for home conſumption, or for re-exportation; and alſo the ſtate of it ſince any conſiderable aid has been afforded to it, from the reſources of India.

Exports from Britain to China, in bullion and in goods, previous to the paſſing of the Commutation Act.

The quantity of bullion exported by the Company to China, on an average of ten years, 1747 to 1757 was £.202,634 per annum, and from 1757 to 1767 was £.97,074 per annum, from 1767 to 1771 £.222,002 per annum; in 1776, the amount was £.88,574, but in other years none, until the paſſing of the Commutation Act.

It was not until the Company became poſſeſſed of territories in India, that their exports of Britiſh manufacture, aroſe to any conſiderable amount. On the average of five years 1762 to 1767, the goods exported by the Company to the factory at Canton, amounted to only £.65,698 per annum; from 1767 to 1777, to £.128,235 per annum; on the average of ſeven years, from 1777 to 1784, to £.114,178.

Exports from India to China, in bullion and in goods, previous to paſſing that act.

The treaſure obtained from the conqueſts in India, enabled the governments there to make large remittances to China, to purchaſe the inveſtment for the ſales at home. In the four years, 1765 to 1769, about £.246,815 per ann. was remitted in bullion, and £.47,422 in bills and goods. But the exigencies of thoſe governments ſoon rendered their

reſources

refources inadequate to continue the fupply to this extent, fo that, on the average of the next fixteen years, or to the conclufion of the war in 1784, not more than £.58,151 per ann. and that chiefly in goods, was remitted on the Company's account, from India to China. The Company, however, have always relied on this refource, as one of the funds for their China inveftments.

Bills drawn on the Directors from Canton.

ANOTHER refource for providing the China inveftment, has been by bills on the Court of Directors, payable at fpecified dates in England. Thefe bills have in part contributed to keep up the connexion between India and China; for, they have been generally granted to individuals who traded from India to China, and paid the produce of their merchandize into the Company's treafury at Canton, at fixed rates of exchange. Previous to the paffing of the Commutation Act, the money brought in this way to Canton was one of the principal fupports of the foreign Companies, who, by offering higher terms than the Company, obtained large fums by this means, and were enabled to trade without any confiderable capital of their own. On an average of four years 1762 to 1766, the bills drawn on the Company from China amounted to £.21,800 per annum. The large remittances from India, from 1766 to 1769, rendered it unneceffary for any bills to be drawn on the Company from China; but during the ten years following, to 1778-9 the average was £.153,125 per annum. In the fix years following, that is, from 1778-9 to 1784-5 while the revenues of India were abforbed by the war, £.386,365 per annum, was obtained by bills and certificates.

 It

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Prime coſt of imports from China to Britain.

It appears that the prime coſt of goods annually imported from China to Britain, from 1762 to 1765, amounted, on an average, to £.321,707; from 1765 to 1779, on an average, to £.501,137; from 1779 to 1785, on an average, to £.571,761.

Amount of ſales.

The amount of the Company's ſales of China goods from 1762 to 1767, on an average, was £.1,046,816; from 1767 to 1777, on an average, £.1,305,444 from 1777 to 1784, on an average, £.1,309,545.

Commercial principle upon which the Commutation Act was founded.

Several events and circumſtances, after the re-eſtabliſhment of peace, contributed to bring forward the principle in commerce, That the profits in trade do not depend ſo much on the price given for any commodity, as upon the quantity of it brought to market, being ſuch, as to throw the balance of the trade into the hands of the merchant.

Remote and immediate circumſtances which reduced this principle to practice.

In the firſt place, the Company appear to have relied on reſources from India, as one of the funds for the China inveſtment. In their Report laid before Parliament in 1784, they computed on about £.250,000 to be remitted from India to China, either directly to Canton, or indirectly through the medium of commerce with the Eaſtern Iſlands, but the exhauſted ſtate of thoſe provinces rendered the governments in India unable, at that time, to ſend any ſuch ſupply.

In the next place, the expenſes incurred in ſupporting the general war which terminated in 1783, required new and

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large ſupplies to bring the credit of the nation to its preſent proſperity. Parliament, to leſſen this burden, were led to think of every poſſible means, by which the Public might realize the exiſting home revenues. This was the true and only expedient by which Parliament could bring the new taxes to be laid on the Public, within the narroweſt poſſible bounds. Under this impreſſion, in December 1783, a committee was appointed to enquire into the illicit means practiſed in defrauding the revenue. They found, that in 1767, 2687 men were required for His Majeſty's ſhips and veſſels, employed in reſtraining the ſmugglers upon the coaſts of Britain and Ireland; to ſupport whom, there was expended annually, £.139,724; that in 1783, not leſs than 4235 men were employed in the ſame ſervice, to ſupport whom, there was required £.220,220. One of the principal articles ſmuggled into Britain, was tea, upon the legal importation of which the duties of cuſtoms and exciſe amounted, on the loweſt kinds, to more than cent. per cent. on the prime coſt; and, upon other kinds of tea, on an average, to 75 per cent.

It appeared from ſtatements of the different kinds of tea, ſold by the Company and in private trade, on an average of ten years, to July 1784, that lb. 4,889,392 were ſold for home conſumption; and lb. 1,468,752 for re-exportation, making in the whole lb. 6,358,144* of all kinds of tea ſold per

* Of this were ſold on the Company's account, - -	lb. 5,927,388
Private trade of the Company's officers, - - -	135,402
Prize tea, during the war, per eſtimate, - - -	295,354
	lb. 6,358,144

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per ann. In an eftimate referred to by the Commiffioners of excife, it was ftated, that the quantity brought to market by illicit importation, was about feven millions of pounds; and by an account from the Eaft-India houfe it appeared, that the amount might be eftimated at lb. 7,500,000. The quantity befides of factitious tea manufactured from floe, liquorice, and afh tree leaves, in different parts of England, was fuppofed to have amounted to more than lb. 4,000,000 annually. Thefe different ftatements tended to prove, that the annual confumption of tea was upwards of fixteen millions of pounds.

It was, therefore, a natural inference, that if the duties could be recovered, upon the whole quantity confumed in Britain and Ireland, the revenue would not only be encreafed, but one of the moft profitable articles in the cargo of a fmuggler, from the fmallnefs of its fize, and the facility with which it could be concealed, would be cut off.

Commutation Act explained.

These data were fufficient to induce Parliament to commute the tax, from the commodity to the houfe of the fuppofed confumer; taking care, that this tax fhould not reach thofe orders of people, who, from their poverty, might be fuppofed not to make any demands upon an article of luxury. The number of exempted cottages has been computed at 600,000; the number of houfes which had ten windows or lefs, 520,025; each of which, it was computed, might confume from two to fix pound weight of inferior tea; the number of houfes which had more than

 ten

ten windows, and leſs than twenty-five, was 160,051; the number of houſes which had twenty-five windows and upwards, 31,835, of which thoſe having fifty windows and upwards, were about 5385*; and though it was impoſſible to give a probable eſtimate of what might be conſumed in theſe two claſſes of houſes, ſtill, from the groſs amount of the teas ſold for home conſumption, whether ſmuggled or manufactured in Britain, the inferences were obvious, that the ſales of the Eaſt-India Company would be encreaſed, if the duties ſhould be lowered in ſuch a degree as to enable them to underſell the ſmuggler; that the commodity, itſelf, would be of a better kind; that the people would not pay ſo much by a tax on their windows, as they had paid to the ſmuggler; and that a great body of men, employed in the ſmuggling ſervice, would be recovered and become uſeful ſubjects to their country.

Effects of it when paſſed into a law.

THE Commutation Act according paſſed, and the event almoſt immediately juſtified the principle upon which it proceeded, as will appear by a compariſon of the following ſtatements of the China trade, with the ſtatement which we have exhibited of it in the preceding period.

—On the exports from Britain to China.

THE bullion exported in the firſt year, after paſſing the Commutation Act, amounted to £.704,253; and on the average of the ſeven years, from 1785, the amount was £.512,491 per annum; in 1790, no bullion was exported to

* The principle of the Commutation Act eſtabliſhed by facts, by F. Baring, Eſq.

China,

China, and it is not expected that any will be required for the preſent ſeaſon. Since paſſing the Commutation Act, in 1784, the quantity of Britiſh manufactures exported to China, has annually encreaſed, and on the average of the laſt four years, has amounted to £.496,7 3; in the laſt year, the exports amounted to £.574,001, and in the preſent ſeaſon are eſtimated at £.626,100.

The remittances made either directly from India to China, or through the medium of commerce with the eaſtern iſlands, appear to have been as follows: on the average of the four years, from 1786 to 1789-90, the amount of remittances was £.195,995 annually; and in 1790-91, £.276,863. This method of bringing home the ſurplus revenues of India, has been of conſiderable aſſiſtance to its commerce; for a great part of the ſums ſo ſupplied, is advanced to the country Merchants in India, who engage to repay the amount into the Company's treaſury at Canton; and a part is ſent in cotton, &c. in the Company's ſhips, from India to China.

—On the amount of bills from China.

The bills and certificates from China, on the Court of Directors, on the average of the ſeven years, 1785 to 1792, have amounted to £.603,659. per annum.

—On the prime coſt of imports.

The prime coſt of goods, annually, imported from China to Britain, by the Company, on an average of ſeven years, from 1785 to 1792, has amounted to £.1,611,692.

The

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—On the amount of fales at home.

The fales of China goods, on an average of nine years, from 1784 to 1793, have amounted to £.2,576,891 per ann. Within twelve months after the act took place, the Company fold of tea, lb.16,152,670, or, including private trade tea, lb.16,307,433, which, if compared with the quantity formerly fold, annually, viz. lb.6,358,144, there remained to be fupplied by the fmuggler and manufacturer, from liquorice and afh leaves, nearly ten millions of pounds.

The quantity fold from that period to the prefent, including private trade, has been, on an average, lb. 16,455,376 per annum*, which, compared with the former fale of lb.6,358,144, gives an encreafe of lb. 10,097,232 per ann. and nearly agrees with the computation previoufly made of the quantity of fmuggled and manufactured teas.

* From September	1784,	to	September	1785,	16,307,433
	1785,	to	—	1786,	15,093,952
	1786,	to	—	1787,	16,692,426
	1787,	to	—	1788,	15,959,339
	1788,	to	—	1789,	16,003,784
	1789,	to	—	1790,	15,856,160
	1790,	to	—	1791,	16,989,748
	1791,	to	—	1792,	17,294,201
	1792,	to	March	1793,	9,673,657
			Years,	8½	lb. 139,870,700
			Average per annum,		lb. 16,455,376

Of this, it appears, that about lb. 2,000,000 per annum were for exportation.

 The

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The large demand which immediately took place at the Company's ſales, after paſſing this act, exhauſted their ſtock in warehouſe: As it was impoſſible to import a ſufficient quantity, in time, from China, the Company were obliged to have recourſe to foreign Companies, and, in the next and following years, purchaſed lb. 16,756,537 of tea on the Continent. With this temporary aid, they were enabled to keep up their ſales until the arrival of the large importation from China, encreaſed their ſtock to the full amount required. The quantity imported from September 1784 to March 1793, has amounted to lb. 134,305,747, this, together with what was in the warehouſes in September 1784, and imported from the Continent, has ſupplied the ſales of lb. 139,870,700, as already ſtated, beſides the teas which have been loſt, damaged, and deſtroyed, and there remains in warehouſe a ſtock of lb. 22,310,535, or more than one year's conſumption.

The ſums paid by the purchaſers to the Company for the lb. 139,870,700 of teas, amounted to £.21,339,736, and the duty, payable to Government, to £.2,773,621, making the total of coſt and duty £.24,113,357. According to the prices at which teas were ſold at the Company's ſales, including the duties before the Commutation Act paſſed, an equal quantity of teas, of the ſame qualities, would have coſt the buyers £.46,987,101. The difference is £.22,873,744, or £.2,690,794 per annum, which the conſumers muſt have paid, if they had uſed the ſame quantities of teas under the old regulations of this trade, or have continued the illicit practice of ſmuggling, and hence have thrown a large ſhare

of

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of the wealth and navigation of this country into the hands of foreign Companies. The encreafe our navigation has received from this meafure, appears from the tonnage of fhips arrived annually from China, which, on an average of eight years, 1776 to 1784, amounted only to 6,059 tons per annum, but, on the average of feven years to 1793, amounted to 18,153 tons, or about three times the tonnage formerly employed in this trade.

Effect of the Commutation Act on the foreign Companies.

THE great difficulty which the Eaft-India Company experienced in eftablifhing themfelves in the China trade, arofe from the almoft exclufive privileges which the Portuguefe and Dutch had acquired in that market. This difficulty, after long and reiterated efforts, was at laft furmounted by the punctuality of the Company's payments, by their honor and good faith as merchants, the quantities of goods which, from the fuppreffion of fmuggling, the fupra-cargoes at Canton were enabled to purchafe, and by an uniform attention to the prejudices and habits of that fingular people.

FOREIGNERS are computed to have imported from China, on an average of ten years, from 1772 to 1782, lb. 13,050,948. Of this quantity, feven and a half millions were, on an average, fuppofed to have been annually fmuggled into Britain and its dependencies. In the three following years to 1785, the quantity imported by foreigners from China, is ftated to have amounted to lb. 17,074,000, the greateft part of which was fmuggled into this country. This illegal traffic was carried on by money raifed in

CHAP. III. Great Britain, from which it muſt have drawn upwards of one million ſterling per annum to the Continent. By this means the balance of trade, as well as a conſiderable ſhare of the profit, and the greateſt ſhare of the navigation, were thrown into the hands of foreigners. Since the paſſing of the Commutation Aćt, the teas imported by foreigners into Europe, have annually decreaſed, and in the laſt ſeaſon, amounted only to about lb. 4,600,000. The quantity imported from China for America, was ſomewhat leſs than two millions of pounds*.

It

* Though the arguments againſt the Commutation Act had an influence upon the public opinion, before experience had proved the utility of the meaſure, the knowledge of them can only be uſeful at preſent in guarding us againſt the ſchemes which ſpeculators are, at all times, ready to ſtate in oppſition to eſtabliſhed practice.

Firſt. It was ſaid, that tea being an article of luxury, injurious to the health of the labouring part of the people, the plan of encreaſing the ſale of it, was a public evil. In a commercial nation, it was anſwered, that whatever is in common uſe, is a neceſſary of life: that tea was conſumed by the very loweſt orders of mankind; that they purchaſed it chiefly from ſmugglers, or from the illicit manufacturer, who had adulterated it by mixtures of other herbs; and that the injury to health was greater by the old than by the new trade. That the money beſides which purchaſed the ſmuggled tea, was drawn from the circulation of Britain, ſent to the Continent, to go out as foreign bullion to the China market, with the object of purchaſing new cargoes, to be brought to Europe, and ſmuggled into the Britiſh Iſlands; that theſe could not be a ſtronger illuſtration of this fact, than the debaſement of the ſilver coin of Britain. That the crown pieces of money were carefully collected and carried abroad, becauſe the ſmuggler received 5s. 8d. for them as bullion; for the half-crown, about 2s. 9d. and about 1s. 1d.½ for the new ſhilling. That the cargoes purchaſed with this bullion, were profeſſedly to the injury of the revenue, and, from the temptations to perjury, of the morals of the people. That the cargo of a ſmuggling veſſel was made up of tea and foreign ſpirits: the tea was the leaſt bulky, the moſt valuable, and the moſt eaſily ſmuggled part of it; for when landed, it

It appears, that the amount of the revenues of cuftoms and excife paid upon the tea fold by the Company, for five years, previous to the paffing of the Commutation Act (drawbacks deducted), was £.720,674, and that the reve- CHAP. III. And on the home revenue.

it was difficult to feize it in quantities, becaufe it could be conveyed to places of concealment in bags. That the fmuggler alfo proceeded upon the calculation, that if of his cargo the tea efcaped the revenue officer, the profits of the voyage were fecured; and if the fpirits could be fafely landed, that the adventure would yield him cent. per cent. It was therefore afked, has the health of the people fuffered, or have the public burdens been encreafed, by rendering the tea trade a fair one, fince the fame quantity of wholefome tea is now confumed in Britain and its dependencies, which was formerly done of fmuggled or manufactured teas?

Second. It has been faid, that the tax upon windows has been burthenfome, becaufe it has obliged the inhabitants, in general, to pay for a luxury which formerly it was in their choice, to ufe or not, and that the whole fcheme was merely to fupport the Eaft-India Company, from whom the Public was to receive no return. Mr. Baring has eftablifhed the following facts: That the lower orders of the people pay no part of this tax, and yet can purchafe the tea from the licenfed retailer at a lefs price than they formerly did from the fmuggler: that the difference of price upon the quantity of tea confumed in the fmalleft houfes which pay the tax, is more than fufficient to defray it, and that the quantity of tea confumed in houfes which have more than ten windows, by fervants, &c. to whom it is univerfally allowed, is more than fufficient to difcharge the amount of the additional tax. That the fcheme was intended to fupport the Eaft-India Company's credit is certain, and was avowed. It was impoffible for them to carry on the China trade (and this was known to be a very valuable branch of their privilege), while the duty on tea was fo high as to induce the fmuggler or manufacturer to bring near lb. 10,000,000 into the fhops of the retailers. The quantity fold by the Company, at an average, before the paffing of the Commutation Act, was about lb. 6,000,000, and this was all that did pay duty. The average quantity fold by the Company fince the paffing of the Commutation Act, has been about lb. 16,000,000, fo that the Public have been bene fited by duties having been paid on about lb. 10,000,000 of tea, by having acquired a decided fuperiority in the Chinefe market, and by a proportional encreafe of their fhipping, exports, &c.

nues

CHAP. III. nues from tea, and the commutation tax on windows paid ſince the paſſing of this act, have been about £.800,000 per annum.

Efforts of the Company to extend the circuit of their trade with China.

Nor have the efforts of the Company been wanting to extend the circle of their trade in its connexion with China. At the expenſe of about £.100,000, they have made an eſtabliſhment on the iſland of Pinang, with the object of its becoming a depôt for ſuch goods, as the iſlands could furniſh for the China market; and, though it is difficult, at preſent, to pronounce on what the value may be of the attempts to create a trade from Nootka Sound to China, yet from the trials which have been made, there is reaſon to expect that it may become a uſeful branch of the commerce.

Reſult of the whole of theſe facts and events.

Such are the facts with reſpect to the China trade, ſimply, in its ſources; in the means by which it is carried on; in the balance of trade which has been thrown into the hands of Great Britain; in the encreaſe of our navigation which it has produced, illuſtrated by the events which have brought it to its preſent magnitude and proſperity. The inferences, ſo far as regards the China trade, therefore are, that the ſtock of the private merchant cannot be ſuppoſed equal to it; for, however profitable a ſingle voyage might be to himſelf, in his competition, either with the Eaſt-India Company (who ſtill would remain a body corporate, entitled to trade on their joint ſtock) or with the other European Companies, trading on their joint ſtocks, his perſeverance might bring on his bankruptcy or his ruin.

That

That the credit of the Company, with the Chinefe, has been eftablifhed and known to that people for upwards of a century; and that fince the paffing of the Commutation Act, whole foreign Companies have failed, while we have obtained a preference in the Chinefe market. The Company are inftructed in the manners of the mercantile Chinefe, and poffeffed of their confidence, and therefore the beft qualified to carry on the trade either with profit, or with fafety to the Britifh fubjects. A fingle act of imprudence in a private adventurer might not only expofe himfelf to ruin, but bring that ruin upon all who fpoke the fame language with him†. CHAP. III.

THE principal facts thus to be judged of by the Public, and the Legiflature, in forming a fyftem for the China trade, and the events which have brought it to its prefent magnitude, all tend to prove the neceffity of continuing it with the Company. To venture upon fpeculations in the mode of conducting this trade might deprive the Public of the revenue arifing from this commerce, throw the balance of it into the hands of other European Companies, and withdraw from Great Britain an extenfive and ufeful branch of its navigation.

† The wadding of a gun fired, upon fome feftival, from an India fhip, happened to kill a Chinefe in the river of Canton, a demand was made for the innocent gunner to be delivered up, with a threat that in cafe either of delay or non-compliance, not only the fervants of the Company at their factories, but all who fpoke the fame language fhould be punifhed. The Captain offered every compenfation, and even to punifh the man himfelf, but was obliged ultimately to comply, and to deliver him over to whatever death the Chinefe thought proper to inflict.

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II. India trade.

The ſecond aſpect which the trade to the Eaſt-Indies preſents, is *that* to the peninſula of *India*, in which Great Britain had originally ſeats of trade only ; but where, within theſe laſt thirty years, it has acquired territories, yielding revenues, the ſurplus of which has been brought home through the medium of its commerce.

The Eaſt-India Company, on their firſt inſtitution, ſent ſhips to the different coaſts of the peninſula of India. By means of bribes and of tributes, they obtained from the Moguls, Soubahdars, and native independent Princes and States, permiſſion to eſtabliſh factories or ſeats of trade; in which they placed guards to protect their property, and the lives of their civil ſervants. In progreſs of time, they got poſſeſſion of Bombay, the harbour of which, as well as its natural ſituation, on the weſt coaſt of India, enabled them to eſtabliſh a marine ſufficient to balance the naval force of the Moguls and Mahrattahs then contending for empire in that quarter of India. Though the trade to India, even at this period, was, in many inſtances, *direct* from and to Britain; it was, in others, *circuitous* to the Iſlands, to China, and to Europe.

With the object of bringing forward the facts and events upon which a plan for the future regulation of our India trade can be founded, we ſhall *firſt* conſider the ſubject in a commercial light only ; *ſecondly*, in the connexion which has been eſtabliſhed between that trade and the revenue; *thirdly*, in the relation which the debt that the Company

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have contracted for the defence of thoſe provinces, bears to both of theſe ſources; and *laſtly*, in a collective view, from the ſums paid by the Company to the Public on the renewal of their charter, from the amount of the duties and cuſtoms received by the Public, and of the dividends received by the Proprietors.

Bullion ſent to India ſince the acquiſition of the territories.

PREVIOUS to the acquiſition of territories in India, the principal part of the trade of the Company was carried on by the exportation of bullion, and by bills drawn on the Court of Directors, as the exports in Britiſh manufactures formed but a ſmall part of the reſources, by which the inveſtments in India and China were procured.

THE treaſure obtained during the war, in which our provinces were acquired, leſſened the exportation of bullion from Europe to India; at the ſame time, by extending the circuit of our commerce in India, the demands for European goods were encreaſed. The fortunes acquired by individuals, in that country, which they remitted to Britain, became alſo a reſource for providing the inveſtment, by enabling the Governments abroad to draw bills to a larger amount on the Court of Directors.

THE termination of this war left the Company in poſſeſſion of large and fertile provinces; their trade rapidly encreaſed, the additional amount requiſite for the purchaſe of the enlarged inveſtments, was ſupplied by the revenues realized from thoſe territories, by bills on the Court of Directors,

CHAP. III. rectors, or by the produce of the greater quantity of goods received from Europe; and, besides these, considerable supplies were sent to China, either directly or circuitously through the commerce of the Eastern Islands, for the purchase of the investments at Canton. Under this system, the trade to India has been conducted for upwards of thirty years; and although it may be considered as a separate branch from the trade to China, yet both have formed but one great concern, connected in some respects, by open and direct channels of reciprocal support; in others, by those indirect and almost imperceptible streams by which the trade of distant nations passes, in a circuitous commerce, through various intermediate countries.

On the average of the ten years, from 1747 to 1757, £.564,423, in bullion, was exported to India; but after the year 1757, bullion was no longer exported thither, except to the amount of about £.20,000 per annum, to Bencoolen, and Saint Helena, &c. From this period also, the export of bullion to China very considerably decreased, and it was only sent out occasionally after the supplies from India failed.* This circumstance is explained in almost every letter sent by the Directors to their servants

* From 1760 to 1764, only £.53,775 per annum, was exported both to India and China. In 1764 and 1765 £.300,967 per annum was exported to China; in the two following years only £.473 per ann. in the next four years £ 222,002. From that period to the passing of the Commutation Act, none was exported to China, except in 1776, when the amount was £88,574. In the 28 years from 1762 to 1790, £.17,260 of bullion, on an average, was exported to Bencoolen, &c.

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at Madras and Bengal, which contained inſtructions to them to collect as much bullion as they poſſibly could, to be ready for the ſhips which ſhould come out for Madras and China; and by the anſwers to theſe letters, ſpecifying the quantity ſent by the different veſſels. The large drain of bullion from India (particularly from the Bengal provinces) in conſequence of this mercantile, but impolitic meaſure, had the unhappy effect of producing a decline in Indian arts and manufactures. This evil has, perhaps, been improperly referred to the oppreſſions of the Company's governments. CHAP. III.

THE exports of Britiſh produce to India were greatly encreaſed by the acquiſition of the territories. On the average of five years 1762 to 1767, the amount of goods and ſtores exported to India was £.386,310, which was £.118,580 per annum more than had been exported in the ten years, 1747 to 1757, both to India and China. Although during this war, the riſks which the Company's ſhips ran of being captured, would tend to leſſen the profits on the goods exported, and of courſe, to have reduced the quantity; yet the encreaſed demand for naval and military ſtores for the defence of thoſe provinces and their coaſts, counterbalanced any decreaſe ariſing from the cauſes; and on the whole, the total value of exports was greater than it had been before the war commenced. Exports.

UPON the reſtoration of peace, thoſe circumſtances which had kept up the export trade during the war, had a neceſſary tendency to encreaſe it, if not to carry it beyond that degree in

CHAP III. in which the profits from it would give the expected return. The Company's servants, civil and military, in the first place, required large supplies of European produce; next the natives, restored to their former tranquillity and industry, took proportions of them, both for use and for sale; and lastly, an opportunity was given, and schemes consequently formed, to strike out new branches of trade in the countries of those nations through which our armies had passed, and given, perhaps, for the first time, a relish for European productions. Facts have justified these conjectures; British manufactures were not only carried out in large proportions on the Company's ships, and in those of foreign Companies, but immense exports were made by private British merchants under the Imperial flag. The market of course was overstocked; British produce sold below prime cost; and the Directors began to complain, without adverting to the true cause of the decline of their export trade. That decline will appear from the following averages, compared with what we have already stated. From 1767 to 1777, the value of goods and stores exported to India, was, per annum, £.371,840. From 1777 to 1784, £.364,746, and from 1784 to 1790, £.357,764. If, however, the exports, by the Company, to India from these causes, at this latter period, declined, the export trade to China was considerably encreased, and by the exertions which have been lately made, the export trade to India has been greatly improved, so that on the three years average, 1790 to 1792 inclusive, the value of export goods was £.415,264 per annum, which exceeds the amount of any former average.

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In order to discover the true state of the Company's export trade, and whether any further measures could be adopted for enlarging it, a report was made, in 1792, by a Select Committee of the Court of Directors, on the quantity and value in England of the several articles exported by the Company to India, and the profit or loss on the sale of those articles in that country. It appears, that in six years to 1789-90, they sold woollens to the amount of £.576,051, the prime cost of which, in England, was £.520,120; and metals in the same period to the amount of £.1,010,011, the prime cost of which was £.760,169; the charges on which, of freight, interest on the prime cost, &c. appear to have absorbed the profits, and a loss on the whole is stated, at £.4,652 per annum. The exports in private trade, are estimated at £.126,680 per annum, besides naval and military stores, and these appear to have been profitable articles, a circumstance which has given rise to the new regulations laid down, for the private trade allowed to the Commanders and Officers of the Company's ships. In the sequel we shall advert more fully to this subject; it is sufficient, at present to observe, that the market is returning to its proper level, and consequently that the demands for British exports must become more certain, and yield a moderate profit.

Imports.

The prime cost of goods imported from India, on the Company's account, from 1761 to 1766, when they became possessed of the Duannee, amounted on an average to £ 549,712 per annum. On the average of the next five

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years to 1771, £.941,187 per annum; and on the average of the following eight years to 1779, £.1,243,178. At this period the importation of goods from India was considerably lessened by the war, in which Britain was then engaged with the different powers of Europe; and on the average of the next three years, the prime cost of cargoes shipped from India, was only £.803,356 per annum. This diminution, together with the losses from the capture of ships, &c. occasioned the warehouses at home to be exhausted of India goods, and in March 1784, only some saltpetre and drugs, to the amount of £.94,085, remained. In 1782-3, goods to the amount of £.1,174,139 were exported from India for England. In 1783-4, a large amount was raised by loans in India, for bills on the Court of Directors, for the purpose of procuring an investment to supply the exhausted warehouses at home, and goods to the amount of £.2,098,609 were shipped for England in that year. The extraordinary quantity imported in 1783-4, (consisting chiefly of goods from Bengal) occasioned a decrease in the subsequent years, but taking an average, for seven years, from 1782-3 to 1788-9, the cost of the goods annually shipped for Europe, amounted to £.1,222,832. On the average of the last three years to 1791, the cost of India goods imported, was £.1,170,225*.

* In all these statements the current rupee is valued at 2s. 3d. the Bombay rupee at 2s. 6d. the pagoda at 8s. and dollar 5s. According to the present rate of exchange, this valuation, with respect to the rupees, is ⅛th too much; but as all the accounts were formerly made up at these rates, it seemed proper to continue it here, in order that the different periods might be compared.

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Connection of the India trade with the revenues.

2. We have, in the second place, to trace the connexion which has been established between the trade and the revenue. The defence of the seats of trade first obliged the Company to employ their armies; the victories of these armies gave to Britain rich provinces; a part of the revenues were to be applied to keep up a force for defending the acquisition; and the surplus was to be realized in Britain through the trade; the right of the Public to the territories was admitted, and explained by Parliament, in its having accepted quit-rents for one or more years, and by the Company becoming vested with a delegated authority, and acting under a lease for a specified time. The trade then was considered as necessary for rendering the surplus revenues of utility to the Public. Such are the facts and events which explain the connexion between the trade and the revenue.

Progressive amount of the revenues.

The revenue, from our first conquests to the acquisition of the Duannee and the Northern Circars, amounted annually to about £.146,384*; the revenue from 1766-7,

* The districts which the Company possessed in India, before 1757, are stated to have produced the following revenues:

Customs, &c. at Bengal	—	—	£.23,588 per annum
Madras	—	—	64,144
Bombay	—	—	56,507
Bencoolen	—	—	2,145
			£.146,384

at

CHAP. III. at which the Public may date the full poffeffion of the territories, to 1768-9, amounted, on an average, to about £.4,100,000 per annum. The fubfidies afterwards agreed to be paid by country powers for military aid, &c. and the bringing the falt and opium revenues under the direction of the Company confiderably encreafed the revenues and expenfes. On an average of three years, 1776-7 to 1778-9, the revenues amounted to £.5,304,352 per annum; at the peace of 1784, on three years average, to 1786-7, £.6,245,605.; on an average of the three years 1787-8 to 1789-90, £.6,901,310. The civil and military expenfes, at the feveral Prefidencies, were nearly as follows: Before the acquifition of the Duannee and the Northern Circars, from 1750 to 1755, they amounted to £.305,558 per annum; but in this, it muft be obferved, that part of the expenfes of the war, of which the acquifition was the iffue, is included. The civil and military expenfes, on the three years average, 1766-7 to 1768-9, amounted to £.3,463,722 per annum; on an average, 1776-7 to 1778-9, to £.4,341,725; from 1784-5 to 1786-7, £.5,920,269; on the average of three years 1787-8 to 1789-90, £.5,368,788 per annum*.

ALTHOUGH the revenues and charges, at different times, are here ftated, by way of illuftration, the articles which are included in the latter periods, and not in the former,

* The intereft paid on the bond or other debts in India, is not included in thefe ftatements. The amount of civil and military charges here ftated, is the total paid in each year, under thofe heads, no accounts having been made of the expenfes annually incurred.

prevent

prevent any comparifon being drawn. The fales of falt, opium, &c. and the advances to the manufacturers, &c. form now a very confiderable article of receipt and expenditure, which formerly did not belong to the Company.

Objects to which the furplus was originally to be applied.

It is immaterial, in illuftrating the principle upon which the trade refts, to enter into a minute detail of the particular applications of the Indian revenues at any one period. It will be fufficient to advert to the original purpofe to which the furplus was intended to be applied, viz. *the purchafe of inveftments for the trade*, and then to bring forward the circumftances which, at times, have prevented this appropriation, and brought the trade, in its turn, to contribute to the deficiencies of the revenue.

The principal part of the furplus has, upon a general view of the revenues and expenfes of the Company's territories, arifen from Bengal. It is, indeed, true, that Madras, before the war ending in 1784, yielded in fome years from £.50,000 to £.200,000 per annum; but fince that period, neither the revenues of it, nor of Bombay, nor of Bencoolen have, at any time, been equal to the charges of thefe fettlements. Hence, in one view, thefe fettlements have been a charge upon Bengal; but, in another, as commercial depôts, they have been neceffary and profitable: as military ftations they afford a check to the enterprizes of the powers on the eaftern and weftern fides of India, and thus

CHAP. III.

become equally a ſafeguard to Bengal as the forces actually in that Preſidency. The concluſion, therefore is, that the revenues from India could only be realized through the trade, and that the whole of the Company's concerns is made up of parts mutually ſupporting each other, and incapable of being reduced to the mercantile idea of a diſtinct profit and loſs from each tranſaction.

Sources of the debt of the Company, as contracted upon the whole of the revenue and trade.

3. We have, in the third place, to examine the relation which the debt of the Company bears both to the revenue and to the trade. The wars from 1747 to 1765 (for we can ſcarcely conſider the temporary convention with France in 1754-5, as an interruption to our conteſts in India) obliged the Company to incur an annual expenſe, greatly beyond what the revenues, during the war, could be ſuppoſed to yield. Conſiderable ſums were alſo laid out on fortifications, &c. (what the Company have termed their dead ſtock) in order to put their acquiſitions in a ſtate of defence, either againſt the attacks of the native ſtates, or of their European enemies. Theſe expenſes, of neceſſity, accumulated during the war which ended in 1784, in which the Company had to defend itſelf, not only againſt a general combination of the native powers, but againſt the attacks of the European enemies of Great Britain, both in India and on their outward and homeward bound ſhips.

Progreſſive amounts of the debts.

The whole of theſe circumſtances, taken together, afford us a progreſſive view of the ſeveral ſources of the debts, which the

the East-India Company have been obliged to contract. The amount of debts, including the capital stock of £.3,200,000, and annuities of £.2,992,440, stood at home, in June 1764, at £.11,294,640; and in India, the bond debt was £.220,235, making together £.11,514,875. The obtaining possession of the Duannee, &c. occasioned some encrease of debt, which was afterwards paid off; as also was the debt contracted during the war with Hyder Ally, in 1769 and 1770, so that previous to the war which ended in 1784, the debts stood as follows: at home, in Jauuary 1779, £.10,726,337, and in India, at the close of the year 1777, £.556,524, making together £.11,282,861.

When the accounts were made up and settled in 1786-7, after the conclusion of the war, the debts at home and abroad, including the capital stock, then of £.4,000,000, amounted to £.25,908,334;* or, if the £.440,000 raised in addition to the nominal capital of £.800,000, were to be considered as borrowed to pay off the debts, the total would be £.26,340,000.

In 1790-91, the debts amounted to £.23,198,721, including the capital stock of £.5,000,000. This sum, deducted from the amount of £.25,908,334, as before stated, would

* Debts at 31st January 1787,	£.15,443,349	—	1st March 1791,	£.13,978,436
In India, 30th April 1786,	9,954,144	—	30th April 1790,	7,029,253
China, 28th February 1786,	510,841	—	14th Feb. 1790,	1,696
			Transferred debt from India	2,189,336
	£.25,908,334			£.23,198,721

make

CHAP. III. make a reduction of £.2,709,613, besides which, there had been paid in this period £200,000, of a debt owing previous to 1787, for His Majesty's forces serving in India. Towards these payments, £.740,000 was raised by the subscription of 174 per cent. to the new capital of one million, allowing for which, the actual diminution of the debt is upwards of two millions.

The war in which the Company have lately been engaged in India, has undoubtedly encreased the amount of their debts; but as the accounts for making up a state of their affairs, in this respect, at the termination of the war, have not yet been received, it is impossible to ascertain, with precision, what that addition may be.

It has been already stated, that the revenues contribute to the whole trade, and that the trade is now necessarily connected with them. The debt, therefore, has been contracted in protecting the one, and in acquiring and defending the other.

Result. From the state of the Company's affairs at the conclusion of the late war, compared with their present situation, it appears, "That their capital stock, paying a dividend of £.8 per "cent. sold for 120 per cent.; that their bonds, then bear-"ing £.5 per cent. interest, were negociated at £.4 discount; "that their bonds and certificates at Bengal and Madras, "bore from 18 to 40 per cent. discount, at Bombay 50 per "cent.; and that orders on the treasury there sold for 65 "per

" per cent. difcount." In a little more than four years after the peace, their debts were reduced upwards of two millions, and about as much more was employed in extending their trade. " Their capital ftock fold for 174 per cent. and has " fince been upwards of £.200; they have negociated their " bonds, reduced from 5 to 4 per cent. intereft, at £.5 17*s.* " premium; their paper at Bengal, in 1789, bore a pre- " mium, and their certificates in that fettlement, when " the late war, in India, broke out, were beginning to be " negociated at half the legal intereft of the country*." The amelioration in the ftate of the Company's affairs, has arifen from the improvements which have been made both in the financial government abroad, and in the management and extenfion of the trade; and it goes to prove, that the debts of the Company ought to be confidered as a burden both upon the revenues and the trade. Indeed the plans which the Company have laid down, to liquidate their debts, and the meafures which government have purfued for the fame end, eftablifh this inference.

Queftion, whether the trade has a claim on the revenues.

THOUGH it is impoffible to queftion thefe facts, feveral circumftances may occur to induce thofe who are to examine Indian affairs, to form different opinions refpecting them; and, on the prefent fubject, in particular, it has been argued with difcrimination, that the *revenues* are indebted to the *trade*, or, in other words, that the trade has contributed to the defence of the provinces, confequently, that the

* General View of the Affairs of the Eaft-India Company, by G. Anderfon, A. M.

Company,

CHAP. III. Company, in any ſettlement, with Government, have a claim to the amount.

Mr. Nathaniel Smith (late Chairman of the Court of Directors), has furniſhed the Public with very intereſting ſtatements, to prove, that the revenue is debtor to the trade to a large amount, and that the Public could have no title whatever, in the firſt place, to ſhare in the profits of the trade, further than it contributed, through the medium of duties, to the home revenue; and, in the next place, that the Company were entitled to a reimburſement of every expenſe which had been incurred on their trading property, in the acquiſition and protection of the Indian provinces. Theſe propoſitions he illuſtrates, by ſhewing, that as no part of the Indian revenues can be realized in England, but through the inveſtments from India and trade from China, the expenſes, both at home and abroad, which the Company's trade has paid to protect the provinces, ought to be reimburſed to them, before the Public can participate in the revenues.

In ſupport of theſe opinions, he ſtates, that during the fifteen years war, from 1750 to 1765, and from that period to 1780, the revenues from the provinces in India, ſtood debtor to the trade £.3,616,215. By a ſimilar account, it appears, that this debt was encreaſed on the 1ſt of March 1790, to nearly £.5,000,000. If any meaſures, tending to ſeparate the trade from the revenues, ſhould be propoſed or adopted, the Proprietors would conſider themſelves as

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CHAP. III.

entitled to be repaid this amount, as well as other ſums which, to a very conſiderable amount, the Company have paid for debts transferred from India and towards defraying the expences of the late war. Beſides theſe ſums, it would be expected that the debts which have been incurred for the defence of the territories in India, ſhould be charged againſt the revenues.

CLAIMS of this magnitude would require the moſt minute inveſtigation of the various particulars of which they are compoſed, and of the reciprocal advantages which the trade has derived from the Company being poſſeſſed of the territories to which they traded, and the territories from the trade. It would then remain for the equity of the Legiſlature to decide upon thoſe claims, and on the means of reimburſing the Proprietors for the ſums they have advanced, and enabling them to diſcharge the debts they have incurred, at the riſk of their capital, in ſupporting and defending the Britiſh territories in India.

IN the actual ſtate of the trade and of the revenues, however, all reaſonings on the ſubject ſeem unneceſſary, farther than to fix our attention on the fact, that theſe claims of the Proprietors, are an additional reaſon for continuing the preſent union between the trade and the revenues, and for granting the Company ſuch terms as ſhall enable them to diſcharge the debts which they have contracted in defence of the Indian provinces and of their trade, and to realize the value of their ſtock.

HAVING

CHAP. III.

Collective view of the advantages of the East-India trade to the Proprietors and to the Public.

Having thus given a general ſtatement of the ſources and extent of the trade of the Eaſt-India Company to China and to India, on the averages of ſeveral periods, which appeared ſufficient to illuſtrate the progreſs of the trade to each of thoſe countries, and the events which have brought it to its preſent ſtate; we have next to examine the benefits which the Public have derived from the Company's trade to the Eaſt-Indies, and from the revenues of the territories in India. As the ſums which the Company have lent or paid to Government have been for the whole of their privileges, and as the dividends on their capital ſtock are made from the whole of their trade, we ſhall conſider this part of the ſubject in a collective point of view, ſtating the ſums which they have paid on the renewal of the charters, for their excluſive privileges, the amount received by the Public, in duties and cuſtoms, on their trade in general, the dividends received by the Proprietors, and the amount paid by the Company, under the general head of charges of freight and of merchandize, to the perſons employed in the ordinary courſe of the trade.

—in the ſums paid on the renewal of their excluſive charter.

The Company, as has been already ſtated, have lent to the Public, at different periods, from 1698, £.4,200,000 at different rates of intereſt; but which now bears only 3 per cent. And they have paid to the Public, as a price for their excluſive privilege of trade, or, as a ſpecies of quit-rent, for holding the territories in India, £.2,769,399.*

The

* On the renewal of their charter, in 1698, the Company lent £.2,000,000 to the Public, at 8 per cent. In 1707, £.1,200,000 at 5 per cent. and agreed that the intereſt

CHAP. III.

—in the amount of home duties and cuftoms from the Eaft-India trade.

THE fums which the State has received from the duties and cuftoms on the Eaft-India trade, have of courfe varied according as the extent of that trade has varied, and as higher or lower duties have been laid upon the feveral articles of which it has been compofed. The amount of the cuftoms and duties on goods from India and China, including the excife on teas, &c. as near as can be eftimated, was, on the average,

From 1750 to 1757,	£. 908,642	per annum.
1757 to 1767,	£.1,067,604	
1767 to 1777,	£.1,356,841	
1777 to 1784,	£.1,311,409	

intereft on the former loan fhould be reduced to 5 per cent. In 1712, the charter was renewed without any new terms being required. In 1729 the renewal was for thirty-three years, and a right granted to remain a corporate body for ever, on paying to the Public — — — — £. 200,000

And agreeing that the intereft on their loan fhould be reduced to 4 per cent.

In 1744 the charter was renewed on lending the Public £.1,000,000 at 3 per cent.

In 1755 the intereft on the former loan was reduced to 3 per cent.

In 1767 and 1769, in confequence of their holding poffeffion of the territories in India, the Company agreed to pay the Public £.400,000 per annum, and under this agreement paid — — £.2,169,399

In 1781, on their charter being renewed to 1791, and three years notice (as ufual) they agreed to pay the Public — — £. 400,000

£.2,769,399

CHAP. III.

In 1784 the Commutation Act paſſed, and the duties on tea were lowered from the very high rates at which they before ſtood, and a tax on windows was laid to compenſate for the deficiency which, it was apprehended, might thence ariſe in the amount of the public revenue.

The circumſtances which led to this meaſure, and its beneficial conſequences, have been already explained. We ſhall therefore only remark, that the great increaſe which has been made to the Company's trade, has nearly compenſated for the reduction of the duties on tea. On the average of eight years 1784 to 1792, the cuſtoms and duties on Eaſt-India goods have amounted to £.964,238; and if the year 1784 be omitted, in which the meaſure could have but a partial effect, the average would be about £.1,000,000.

It is, however, to be obſerved, that the whole of the cuſtoms and duties, above ſtated, has not been really paid to the State, the greateſt part of the cotton goods, as callicoes and muſlins, is re-exported; as is alſo ſome part of the tea, of the drugs, grocery, ſilk, &c. ſold at the Company's ſales, on which a conſiderable drawback is allowed. The drawback on the India and China goods, ſo exported, has, in ſome years, amounted to a third of the whole duties paid; but conſidered, in a general point of view, it is preſumed, that whatever drawbacks are allowed, or bounties granted on goods exported, the country is benefited, on the whole, more than the ſums ſo drawn from it's revenue.

By

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By this means Britain is made the grand emporium for Aſiatic produce, that produce is imported in Britiſh ſhips, navigated by Britiſh ſailors to and from Aſia, and is re-exported, in the ſame manner to the Continent, from whence other articles, paying duties, are brought in exchange. By the reſort alſo of foreigners to purchaſe Eaſt-India goods at the Company's ſales, large circulations of trade are kept up, and the commerce of the country, in other articles, is conſiderably invigorated. CHAP. III.

Such has been the participation which the Public have received of the trade and revenues of the Company, ariſing from ſums lent at particular rates of intereſt, or paid as quit-rents for the territories in India, and for the excluſive privilege of trade, or as derived from the cuſtoms and duties levied on the goods imported from the Eaſt-Indies to Great Britain.

—in the dividends received by the Proprietors.

The next point of view in which we are to conſider the trade of the Eaſt-India Company, reſpects the amount of the dividends on the capital ſtock, which it has yielded to the Proprietors. At the union of the two Companies, the dividend was only five per cent. it immediately roſe to eight, ſoon afterwards to nine, and in leſs than three years to ten per cent. From this rate it varied, as circumſtances affected the trade, to eight and to ſeven per cent. until the war in Europe and in India reduced the dividend to ſix per cent. in 1756. Taking the forty-ſeven years from 1709 to 1756, the average amount of the dividends on the capital of

CHAP. III.

£.3,200,000, for that period, is eight and a quarter per cent.* During the next eleven years to Chriſtmas 1766, when the Company became fully poſſeſſed of the territories in India, the dividend was only ſix per cent. In 1767 it roſe to ten, next to eleven, then to twelve, and to twelve and a half per cent. In 1772 it was reduced to ſix; in 1777 it roſe to ſeven; in 1778 to eight per cent. at which rate it has continued to the preſent time. In 1786, the capital was raiſed from £.3,200,000, to £.4,000,000, and in 1789, to £.5,000,000. If we take the nineteen years and a half, from 1767 to Midſummer 1786, when the firſt addition was made to the capital ſtock, the dividend, on an average, amounted to eight and five twelfths per cent.† On the whole, therefore, the Company's dividends from the acquiſition of the territories in India to the time at which it was found expedient to extend their capital, have ſomewhat exceeded the average rate before

* The dividends during this period were as follows:

				years			
Chriſtmas	1708 to	Lady-day	1709	$\frac{1}{4}$	at	5	per cent.
Lady-day	1709 to	Michaelmas	1709	$\frac{1}{2}$	at	8	
	1709 to		1711	2	at	9	
	1711 to	Midſummer	1722	$10\frac{3}{4}$	at	10	
	1722 to		1732	10	at	8	
	1732 to		1743	11	at	7	
	1743 to	Chriſtmas	1755	$12\frac{1}{2}$	at	8	
				47	years, average $8\frac{1}{4}$ per cent.		

The next eleven years, from 1755 to 1766, the dividend was 6 per cent.

† The dividends during this period were as follows:

Chriſtmas	1766 to		1768	2	years, at	10	per cent.
	1768 to		1769	1	at	11	
	1769 to		1770	1	at	12	
	1770 to	Midſummer	1772	$1\frac{1}{2}$	at	$12\frac{1}{2}$	
Midſummer	1772 to		1776	4	at	6	
	1776 to	Chriſtmas	1777	$1\frac{1}{2}$	at	7	
From Chriſtmas	1777 to the preſent time					8	

that

that event. But if the eleven years from 1756 to 1767, while they were acquiring thofe poffeffions, be taken into the account, the reduced rate for that period would bring the average below its former amount.

CHAP. III.

BEFORE we conclude this part of the fubject refpecting the general ftate of the Company's trade, it feems proper, in order to fhew ftill farther the importance of it, to ftate the fums which have been paid from it for the freight of fhips, and for the charges of the warehoufes, falaries of the Company's fervants at home, and other expenfes in this country, which are claffed under the general defcription of charges of merchandize.

Amount of the charges of freight and of merchandize.

			Paid for freight.	For charges of merchandize.
From 1749 to 1757,	average of	8 years,	277,432	107,306
1757 to 1767,	—	10	392,498	149,658
1767 to 1777,	—	10	490,259	209,115
1777 to 1785,	—	8	567,754	241,124
1785 to 1793,	—	8	867,833	356,979

THESE charges arifing principally in the ordinary courfe of the Company's trade, fupport no inconfiderable part of the navigation of this country, and maintain a great number of its inhabitants, employed, in various fituations, to manage their commercial and other concerns.*

AFTER

* As thefe obfervations relate particularly to the Company's trade, we have not adverted to that part of the trade to India and China, which is carried on by the Commanders and Officers of fhips on a proportion of tonnage allowed by the Company. Individuals, in India, alfo have been admitted to fend goods to Britain on paying certain

CHAP. III.

General inference establishing the principle upon which the British trade to the East Indies should be conducted.

AFTER a review of the facts and events accompanying the rise, progress, and present state of the East-India trade, after establishing, by evidence, that the China trade (of which we are, at present, almost in exclusive possession) must remain with the present Company; and after having proved that the India trade derives its support and its utility to the Public, from the same credit which supports that to China; the inference is, that the present system of East-India trade ought to remain, as the only one, which facts and events have shewn to be beneficial to the Public. If any other should be proposed or adopted, the balance of profit arising from the whole of the East-India trade, and the benefits which Great Britain, at present, receives from it, might pass into the hands of foreign European Companies.

IV. The Government for British India must accord with the characters of the natives and with subsisting treaties.

FOURTH. *The Asiatic subjects of Great Britain must have a government that is coincident with their characters and usages, and that accords with the treaties which the East-India Company have concluded with the native Princes and States in India. The governments abroad must be so constituted as to preserve to Britain the balance of power in India, and the administration of Indian affairs at home established upon principles conformable to the spirit of the constitution.*

tain rates of freight. The exports of British manufactures, &c. to India and China, in this private trade, is estimated to be nearly equal, in value, to the Company's exports, as before stated; but the amount cannot be ascertained. The goods imported from India and China, in this manner, and sold at the Company's sales, besides those sold on their own account, stated in page 296, amounted, on an average,

From 1762 to 1767	—	—		£.184,315 per annum.
1767 to 1777	—	—		170,314
1777 to 1785	—	—		210,520
1785 to 1793	—	—	—	755,757

WHOEVER

CHAP. III.

Illuſtrations from the Hiſtory of Hindooſtan.

WHOEVER has ſtudied the hiſtory of civil ſociety, muſt have obſerved, that there is a kind of government which is adapted to the particular characters of a people. In early ages, it generally conſiſts of a few ſimple rules, which accidents and events have dictated and brought into practice. Theſe rules commonly go no farther, than to point out the power of the governing and the duties of the governed; that is, of the civil and military officers and of the ſubjects. Theſe diſtinctions are, however, peculiar and local, and, in fact, are, according to circumſtances, nothing more than the employment of reaſon and experience, to form ſuch rules for the ſafety and protection of a people, as their ſituation requires. The moſt wiſe nations have, therefore, been ſatisfied, that this is the only philoſophy that is practicable in actual life, and have always prefered improvements on eſtabliſhed government, and laws, to refinements which are as impracticable as they have proved ruinous. Hence the univerſal method of correcting uſages and cuſtoms, inſtead of introducing extravagant ſchemes. The Greek Legiſlators improved on the uſages of their country, and only reduced its laws to order, or to a written ſyſtem. The Romans, when they imitated the Greeks in their juriſprudence, only methodized their own laws, by reducing them to the fixed and ſimple principles of the Greeks. The Legiſlators, in neither of theſe nations, ſuppoſed, that the people for whom they acted could lay aſide their prejudices, or that they could lay aſide their own. Utopian ſchemes uniformly have produced anarchy, and, in no inſtance, could they be more dangerouſly attempted, than in forming a plan of government for the dominions of Great Britain in Hindooſtan.

IN

CHAP. III.

Ancient government of India monarchical.

In the hiſtory of India we diſcover, that the inhabitants (in ancient times) were ſubjected to Chiefs, who had the power of leading them into the field, but who evidently muſt have been controuled by the mild ſuperſtition and manners, which uniformly have prevailed in that happy climate. We are not able otherwiſe to account for the improved ſtate of the arts ſubſervient to utility and to luxury, in the early ages of that people, or to explain the progreſs of their manufactures of every kind, which made Hindooſtan ſo tempting an object of invaſion to its barbarous neighbours.

Became more abſolute on the eſtabliſhment of the Mogul empire,—

The term barbarous may, with propriety, be applied to the Perſian, Afghaniſtan, and firſt Mogul conquerors, whoſe original object was to collect plunder, and carry off ſlaves to labour for them, in the countries from whence their armies had iſſued. The latter Mahomedan conquerors were actuated by different motives; the eſtabliſhment of a ſeat of empire, and the promulgation of a new ſuperſtition. If Timur relinquiſhed the greateſt part of his Indian conqueſts, he laid the foundation for the re-aſſumption of them by his deſcendant Baber. This Emperor, after he had fixed the ſeat of his empire at Delhi, and introduced a military force to overawe the vanquiſhed Hindoos, and to compel them to embrace the Mahomedan faith, eſtabliſhed a government that was abſolute in its ſpirit, and ſevere and perſecuting in its practice. Hence the confuſions which took place during the reigns of his immediate ſucceſſors; and hence the value and importance of the wiſe and mild inſtitutions,

inſtitutions, which diſtinguiſhed the reign of the virtuous Acbar.

—and ſtill more ſo when the Mogul government took a regular form.

STILL, however, the government of the Moguls was abſolute, and from its being perſecuting, held in abhorrence by the Hindoos. The Moguls had now become Sovereign Lords, or Lords Proprietors of the ſoil, and though in many inſtances they continued, its ancient maſters, yet as ſuperiors, they frequently exerciſed the power of removing them. It was to preſerve this prerogative that they entruſted the armies, in the different diviſions of the Empire, to ſoldiers of fortune, attached to them from intereſt and reſembling them in ambition. Under adventurers of this deſcription, they commonly placed new adventurers, as ſeconds in command; who, from the hope of ſucceeding to the principal truſt, became ſpies on their immediate ſuperiors, and were ready by ſecret, or by open means, upon a hint, or a mandate from the Sovereign, to impriſon, or to put them to death. A ſyſtem of obedience was thus infuſed into the army, and it had the tendency to ſtrengthen allegiance to the Mogul.

The ſpirit of the Mogul government ſuited to the ſituation of the dependent princes.

IT has already been obſerved, that the Moguls frequently allowed the Rajahs, or Hindoo Princes, to retain a degree of ſoverignty in their diſtricts, upon their becoming bound to pay a larger tribute than the Mahomedan Officers could have levied. The government of theſe Rajahs, from this circumſtance, became more abſolute than it had anciently been, when they were independent chiefs, though they acted as officers of

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a Sovereign, who was able to cruſh them, in any attempt to reſiſt his power.

Had Acbar defined the principle of ſucceſſion to the Mogul throne; the civil wars among his deſcendants, which diſturbed the reigns of Jehanguire, Shah Jehan, and even Aurungzebe, would probably never have taken place. It was this error which contributed to the ſubverſion of the empire, for it gave opportunities to the native Hindoo ſtates, on the Malabar ſide of India, and to the north of Delhi, to aſſert and to eſtabliſh their independence.

—continued after the ſubverſion of the empire—

When the Mogul empire fell, and the new ſovereignties which, at preſent exiſt in India, aroſe out of its ruins, the government became ſtill more abſolute in its character than it had been, even, under Aurungzebe. The officers who uſurped power in the provinces, in which the Britiſh dominions are ſituated, being themſelves adventurers, had no other reſource but that of a continued oppreſſion of their new ſubjects. Their example encouraged the Mahrattah ſtates, though they retained a milder ſyſtem of internal adminiſtration, to exerciſe a power that was abſolute, in the countries which they ſubdued, Sevajee, who firſt aſſerted, and Sambajee who eſtabliſhed the independence of the Mahrattahs, were as abſolute, in their characters, as Aurungzebe, or the Nizam-ul-Muluck had been in theirs.

So

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—became ſtill more abſolute under the uſurpers.

So general had the ſpirit for uſurpation become, both in thoſe provinces which had compoſed the Mogul empire, and in thoſe countries which had never been wholly ſubjugated by the Moguls, that in the ſhort ſpace of fifty years after the death of Aurungzebe, there ſcarcely remained, in the whole of the peninſula, a ſingle deſcendant either of the firſt Mahomedan, or Hindoo uſurpers, ſovereigns in the countries, over which their fathers had ruled. The Deccan was torn from the family of the Nizam, and divided among a number of new adventurers. Aliverdi and the Vizier of Oude, divided the central provinces; and, in their turn, their deſcendants were degraded or rendered tributaries. The Mahrattah and Myſore Rajahs, in like manner, became the priſoners and political engines of their miniſters, while the repreſentative of the houſe of Timur was forced to fly to the camp of the European ſtrangers, there to ſeek protection againſt his own rebellious officers, though ſtill ruling in his name.

Inference from this review of government in Hindooſtan.

THERE can, therefore, be no queſtion, but that, from the earlieſt times, the natives of Hindooſtan have been habituated to a government, leſs or more abſolute, and that an inſtitution, of any other deſcription, would be repugnant to their notions of ſubordination, and to the kinds of religion in which they believe, ſo that, relatively to them, it would be foreign and unintelligible.

The internal adminiſtration of the empire, coincident with the character of the government.

THE internal arrangements of the Mogul empire appear, from its hiſtory, to have taken the ſame arbitrary

 characters,

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characters, with the general spirit of the government. Acbar divided the empire into soubahs or provinces; fixed the quantum of revenue, and the quota of troops to be furnished by each; he made the Soubahdars, his Viceroys, and gave them absolute power in every thing but what regarded the collection of the revenues. This duty was assigned to the Duan, whose office it was to collect and remit the revenues to Delhi. As the Duan thus divided the power with the Soubahdar, the animosities of these officers either ruined the one or the other, or their agreement doubled the oppression upon the inhabitants: The Duan, from his office, was intended to be a check upon the Soubahdar, or an honorable spy of the Court: hence the source of a two-fold species of oppression; the Duan levied more money than the stipulated revenues, and secretly paid the Soubahdar for winking at his extortions; and the Soubahdar levied contributions on those articles which were not taxed by the Mogul. Each thus pursued his own measures, that each might be able to bribe the Court for a prolongation of his power, and secretly to attach to himself soldiers of fortune, who, in the event of its frowns, might awe it into compliance.

—was more rigid in the provinces than at the seat of empire.

Nor was this system confined to the Soubahdars and Duans only, for it was practised by the Nabobs and Hindoo Rajahs (who had been continued superiors of their districts) not only with respect to the Soubahdar, who had appointed them, but with respect to their own officers, that they might acquire sums sufficient to influence the Vizier, or Prime Minister,

at Delhi, for a protection and a licence to levy ſmall additional taxes, but which on that account, were more burdenſome. In the ſame manner, the Naib-Nabobs, and Naib-Rajahs, ſuperiors often of only a few Purgunnahs, and the Zemindars, or ſuperiors of a few farms of thoſe Purgunnahs, bribed, oppreſſed, became rich, and often independant.

The judicial power accorded with the ſpirit of the government.

THE laws of any country are only regulations, deduced from the ſpirit of the eſtabliſhed government. The laws which prevailed in Hindooſtan were, of courſe, arbitrary in their ſpirit, and frequently partial and corrupt in their application. The ſimple and equitable maxims of the Hindoo code of laws, and the apparently rigid Mahomedan juriſprudence, would, at firſt ſight, lead us to ſuppoſe, that the diſtribution of juſtice in India had been equitable or ſtern; but in the annals of that country, we diſcover the courts of law pronouncing deciſions, in almoſt every caſe, in favor of the party who could buy them; and the natives entertaining no other ideas, in going to a court of law, but thoſe of being ſupported by the friends they had bought, under the ſpecious refinement of giving preſents, to mark their reſpect for the Judge. The only exception, perhaps, was, in caſes where the religious cuſtoms of the country ſtood in oppoſition to the practice of theſe biaſſed or corrupt proceedings.

—And the financial ſyſtem with both.

THE revenues of the country, which conſiſted in the rents of lands, in a heavy taxation on the Hindoos, and in arbitrary impoſts upon induſtry, were levied, indeed, according to fixed aſſeſſments, but always by means of an irregular armed force;

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force; this militia the Soubahdar led againſt the Nabobs or Rajahs, who had been backward in their payments; and they, in their turn, againſt their inferiors. Every Zemindar had a band of ſoldiers, proportioned to the extent of the diſtrict he ſuperintended; and, as he was alſo a kind of magiſtrate, and often acted as an officer of police, as well as a collector of revenue, he was, in fact, a ſpecies of petty Prince.

The general ſpirit thus of the government, was not only arbitrary, but, in the adminiſtration of its offices, it reſembled more a military than a civil inſtitution.

The Eaſt-India Company acquired their territories, as the officers or allies of theſe abſolute Princes.

If ſuch was the ſituation of Hindooſtan, both when the Eaſt-India Company began to purchaſe their ſeats of trade, with narrow diſtricts around them, and after the acquiſition of extenſive provinces, it is evident, that their titles were founded on agreements and treaties with the eſtabliſhed powers; that they acceded to the uſurpations of the Soubahdars, Nabobs, and Rajahs; and that, in fact (taking in the general tenor of all the treaties with the country powers, the Sunnuds which they obtained from them, and the Phirmaunds, which they purchaſed or extorted from the fallen Mogul), they have engrafted only the portion of the Britiſh Government, which had been delegated to them, within their limits, upon the Mogul ſyſtem, and yet have pledged the faith of the Britiſh nation, as its repreſentatives in India, to become, in the Bengal Provinces, the Duans of the Mogul, and in thoſe on the Coromandel Coaſt, his officers.

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Britain cannot, in confiftency with fubfifting treaties, recede from this tenure.

A SOVEREIGN may refufe to ratify the deed of his Ambaffador, becaufe he may fay his agent has exceeded the powers entrufted to him. If, however, after a treaty has been ratified by a Sovereign, he fhall refufe to abide by the terms upon which it proceeded, he violates the great principles of national law, viz. *Public Juftice* and *Public Faith*. The cafe is ftronger even than this, between Great Britain and the native Princes of Hindooftan: for, in the firft place, the powers given to the Eaft-India Company, were greater than thofe given to an Ambaffador; and, in the next place, the people with whom the Company entered into treaties, had no other idea of the Company's power, than that of the Britifh nation. Great Britain thus, in fact, though not in name, has contracted, in the moft folemn manner, with the country powers. In fome cafes, we hold our territories of Nabobs, Rajahs, and Soubahdars; in other cafes, we have obtained them by becoming the officers of thefe Chiefs; and, in others, have held them directly of the fallen Mogul. In the firft of thefe cafes, judging by the notions of public honor entertained in the countries where the treaties have been concluded (and this is the fole criterion), Great Britain holds by a *lefs*; in the fecond and laft, by a *more* defined tenure.

By the political fyftem of Hindooftan, Great Britain might fet afide the tenures from Soubahdars, Nabobs, &c. and obtain from the Mogul himfelf, a Phirmaund, by treaty or by arms, and hold its poffeffions immediately of him; but, in the firft place, we have made treaties with thefe fubordi-

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nate Princes; in the next, the uſurpers who portioned out the Mogul dominions, poſſeſſed the only power to give grants; and, in the laſt place, the deſcendants of the Moguls have as few rights to confer, as the Rajahs of Poonah and Myſore now poſſeſs.

—But muſt, on the baſis of national faith and expediency, continue it.

As the Britiſh poſſeſſions then have been conveyed to the Company by treaties with the country powers and with the Mogul; and as theſe treaties alone are intelligible to our Aſiatic ſubjects, who hitherto have viewed us as the officers or repreſentatives of their fallen Sovereigns, and ſtill conſider us as proceeding upon ſomething like their ancient ſyſtem of government, we can only expect to preſerve the allegiance of the natives, or to hold the balance of power in India, by conforming to the treaties which we have made;—treaties, from which we have acquired, and, at the preſent moment, hold our poſſeſſions. The uſages and manners of the people require this from us as a law of nations, deviations from it would not be underſtood by them, more particularly, if we were to infringe on cuſtoms which they underſtand and venerate.

Difficulty of engrafting diſtant Provinces, upon a free conſtitution.

It becomes, however, a nice political queſtion, by what method can dominions thus acquired, and thus to be held, be rendered uſeful to the Britiſh empire? When we come to ſubmit propoſitions on this branch of Indian affairs, this ſubject will be found to require much political diſcuſſion. A diſtant province may be eaſily incorporated with an abſolute government, for it is only adding to its power and reſources;

ſources; but to engraft a remote dependency upon a free government like Britain, requires a delegation of power, which ſeems to be incompatible with its ſpirit, and which uniformly becomes a ſource of jealouſy in itſelf, and in the exerciſe of it. The more alive the ſubjects of a free government are to the value of the conſtitution which they themſelves enjoy, the more unguarded do they become, in their ſpeculation, about extending the privileges of it to the diſtant dependencies on their power. The political characters of the center, and of the extremities of an empire, are different and diſtinct ſubjects. The privileges, which are the vitals of the one, would, if conveyed to the other, neceſſarily cut aſunder the connexion. Rome retained its legiſlative and executive powers, and only gave its protection and its laws to the provinces. Great Britain has acquired provinces in the Peninſula of India, and its ſovereignty in them can only be preſerved by extending the protection, and the laws of England to the ſubjects of the King (including the Armenians and others who have been conſidered as Britiſh ſubjects)—by affording to the natives protection; and, by introducing ſuch improvements upon their laws, as their habits of thinking, and of tranſacting with the Company, will allow.

To render then our Indian poſſeſſions and the trade connected with them an uſeful part of the empire, and of its reſources, the governments abroad muſt be veſted in officers, with full, prompt and diſcretionary powers. With ſuch powers, their adminiſtration will be underſtood by the natives, becauſe reſembling thoſe which their

 ancient

CHAP. III. ancient Soubahdars poſſeſſed; in exerciſing them, an eaſy and open communication with the country Princes and ſtates, on political or commercial ſubjects, may be maintained; and the balance of power in India, remain in the hands of the Company, conſidered as a branch of the Mogul empire.

It is, perhaps, a ſtill more difficult political arrangement to fix the ſource of this power in Britain, in ſuch a manner, that by its weight it may not deſtroy the equilibrium of the eſtates of Parliament. The influence, which the management of a rich domain might give to the executive or legiſlative powers ſhould not exceed the proportion which the one or the other ought to hold, by the ſpirit of the government; for it would be as dangerous an extreme to give the whole of the Indian patronage to the one, as it would be unwiſe to aſſign it, without controul, to the other.

The example of the moſt free nation of antiquity is followed in the ſyſtem by which India, at preſent, is governed. Rome made its Proconſuls abſolute in the provinces, but reſponſible to the Senate and People. Britain, in like manner, has made its Governor-general of India as abſolute, apparently to the natives, as the ancient Soubahdars were, but reſponſible to the Directors, and to the controuling power, and both reſponſible to Parliament.

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Refult.

THE fyftem then to be adopted for the future government of our Afiatic dominions, and regulation of our trade to the Eaft-Indies, muft arife out of the characters and ufages of the people. It muft be modified by the treaties, which the Eaft-India Company have concluded with the native Princes and States ; and while we are to delegate a power that is prompt, difcretionary, and fuited to the cafe, or to the adminiftration of our interefts in India, we muft take care, that the exercife of that power, fhall not be made the means of biafing the Legiflature ; nor, of conveying to the executive government any degree of influence beyond that, which the fpirit of the Britifh conftitution has affigned it.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

PART II.

OUTLINES OF A PLAN OF FOREIGN GOVERNMENT, OF COMMERCIAL OECONOMY, AND OF DOMESTIC ADMINISTRATION, WHICH SEEMS TO BE CALCULATED FOR THE PRESERVATION OF THE BRITISH POSSESSIONS IN INDIA, AND IMPROVEMENT OF TRADE TO THE EAST-INDIES.

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PLAN OF GOVERNMENT FOR BRITISH INDIA, WITH THE JUDICIAL, FINANCIAL AND MILITARY POWERS, REQUIRED TO SUPPORT IT.

SECT. I.

OF THE PLAN OF GOVERNMENT REQUIRED FOR BRITISH INDIA.

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HAVING

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HAVING brought into view principles, arifing out of the hiftory of Hindooftan, and of the Eaft-India Company, and fhewn, that from the nature of the cafe, a fyftem of government for the Afiatic poffeffions of Great Britain, in their connexion with the trade to the Eaft-Indies, muft neceffarily reft on them; and having pointed out, that the ftate has a right to difpofe both of the Eaft-India poffeffions and trade, in the manner, that it may deem moft advantageous for the Public intereft; two queftions neceffarily come forward, viz. Upon what plan is the Legiflature to difpofe of this valuable branch of the empire and of its refources? And, fuppofing it to veft them in the Eaft-India Company, What fyftem of government will be beft fuited to the prefervation and improvement of both? Queftions, on which a plan of government for Britifh India, feems to reft.

WHEN the Legiflature fhall examine the firft of thefe queftions, it will have to take into confideration the circumftances from which the political and commercial principles already treated of are obvious inferences, viz. That land and induftry in the Britifh provinces in India, ought to be affeffed and the revenues collected upon a plan that fhall ftrengthen the attachment in the natives to the Britifh Government; but that this plan ought to be calculated to invigorate and more fully to eftablifh our Afiatic commerce, and Facts upon which the anfwers depend.

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and to render the provinces and trade a refource to the Public: that the Company, by whom the territories have been acquired, and the trade brought to its prefent extent and magnitude, fhould (if their exclufive privilege is to ceafe and determine) be left in a fituation, after having the debt due to them by the Public repaid or liquidated, to recover the value of their home quick and dead ftock, and a compenfation for their foreign dead ftock; and that they fhould be enabled to difcharge all their lawful debts, and to recover an equitable value for their proprietary ftock.

Refult, pointing out the propriety of renewing the privilege of the Company.

Upon a general view of all the exifting circumftances, and of the confequences which might be experienced from any alteration of the eftablifhed fyftem of Indian affairs, it may be fit and expedient, that the Company's charter fhould be renewed to them, under certain conditions and regulations to be fpecified in the act, from which the prolongation of their privileges is to proceed, and upon fuch terms as fhall enable the Public to receive an equitable confideration for the grant.

Trade and revenue to be granted for the fame period.

It is impoffible to fay, with any precifion, to what number of years it may be expedient to extend the new exclufive privilege of the Company; but it will be equitable in the Public to grant, and in the Company to accept of fuch a term as may, with proper management, enable the one to reaffume its right of difpofing of the territorial poffeffions in India, and the privileges of trade, at the expiration of that period;

period; and the other to improve the revenues from the territories, in ſuch a manner, as to introduce and eſtabliſh under the controul of the executive power (reſponſible to Parliament) a ſyſtem of finance, ſuited to the nature of the countries entruſted to their adminiſtration; and a ſyſtem of trade which ſhall, progreſſively, invigorate the domeſtic manufactures and commerce of Great Britain. SECT. I.

For theſe purpoſes it may become neceſſary for Parliament to declare, that the territorial acquiſitions of Great Britain in the Eaſt-Indies, with the revenues accruing from them, ſhall remain with the Eaſt-India Company, during the term to be granted them of an excluſive privilege of trade.

Supposing that this ſhould be the reſolution of Parliament, the other queſtion, reſpecting the plan of government, will call for equal deliberation and wiſdom to reſolve it. If the privileges of the Company are to be continued to them, Parliament will have to deviſe and preſcribe a government for our Indian provinces, fitted to preſerve a valuable part of the empire, and a not leſs valuable branch of our trade and navigation.

Plan of government required unde this arrangement.

A plan for Indian affairs muſt neceſſarily be addreſſed to thoſe who have ſtudied the ſubject, and to thoſe who have only taken a general view of it. To the former, many parts of this work, as well as many of the regulations introduced by the Directors, and in Acts of Parliament, may appear unneceſſary repetitions. To the latter, theſe minute particu-

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lars may be of importance, as foundations upon which they will have to reaſon and to form their opinions. That we may then meet the general objects and wiſhes of the nation, reſpecting our Aſiatic dominions and trade, we muſt ſuppoſe the ſubject to be a new one, and bring forward the plan, in detail, leaving the particular articles, regarding each branch, to be examined, adopted, or rejected, as the wiſdom of Parliament may deem expedient.

—muſt accord with the characters of our Aſiatic ſubjects, and with the revenues they can pay.

THE kind of government which ſeems to be adapted to the Britiſh poſſeſſions in Hindooſtan, muſt ariſe out of the leading facts in the hiſtory of that country. It has been found from experience, that, however perfect a ſyſtem of government may appear, in ſpeculation, unleſs it ſhall accord with the manners and prejudices of the people for whom it is intended, the attempt to reduce it to practice, has uniformly met with oppoſition, and frequently ended in the deſtruction of thoſe who have endeavoured to eſtabliſh it. In every age, and among every people, opinion and prejudices have been an overmatch for arms: hence, the moſt wiſe Legiſlators of antiquity found it expedient to accommodate government to the uſages of a people, rather than to attempt the accommodation of their uſages to a ſyſtem of ſubordination, though apparently more perfect in its character. The Britiſh government in India then muſt take its character from the kind of ſubordination which the natives underſtand, and to which they have been habituated.

SECT. I.

Aſpect of government in Hindooſtan, under the Moguls.

It has appeared in illuſtrating the principles out of which a ſyſtem for the foreign government of the Britiſh provinces in India muſt ariſe, that the Moguls eſtabliſhed their power by force of arms, that their adminiſtration was rather of a military than of a civil nature, and that they communicated to their Soubahdars, or Governors of provinces, the ſame abſolute authority which they themſelves exerciſed at the ſeat of Government, without foreſeeing, that they thus laid the ſeeds of decline, in the very trenches they had dug out for the foundation of their empire. It has appeared, as the fruit of this original error, that a Soubahdar, though, at firſt, a meer Commander, raiſed by a Mogul to the government of a province, often became a kind of Sovereign, on the one hand, warding off, by bribes, or by an army of attached followers, the danger of being removed from his ſituation by his Prince; and, on the other, portioning out among his own immediate Officers, whether Mahomedans or Hindoos, diſtricts in his province, and by a ſimilar tenure with his own. That theſe inferior Officers followed the ſame ſyſtem, undermined the power of the Soubahdar by whom they had been appointed, or allowed to retain their ancient portion of power; that by ſtrengthening themſelves in their reſpective diſtricts, or by forming an intereſt at Delhi, they frequently counterbalanced the power of the Soubahdar, though they leaned on the ſame center from which he had derived his authority. In this way they became independent of him, as he had done of the Emperor. In their turn, theſe Nabobs (the term for Mahomedan Officers) and Rajahs (the term

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for Hindoo officers, continued the ſuperiors of diſtricts), divided their authority, and by the ſame rule, among their Naibs, or deputies, and thus carried on a complicated ſyſtem of oppreſſion.

From the conqueſts of the firſt Moguls to the eſtabliſhment of their empire, and from this period to its fall, the government introduced and underſtood in Hindooſtan, has been an abſolute monarchy, in which the Sovereign was held to be, if not the Proprietor of the ſoil, (what was equivalent to it,) its Lord Superior, to whom the natives looked up for protection againſt the arbitrary proceedings of Soubahdars, Nabobs or Rajahs; or, to the Soubahdar, the Nabob or the Rajah, when oppreſſed by Zemindars, Talookdars, &c.

—Under the Soubahdars, Nabobs, and Rajahs.

It has appeared in the next place, that the Soubahdars and Nabobs, who became Sovereigns in the provinces, of which they had formerly been Governors, embraced the ſame abſolute ſpecies of ſubordination with the Moguls againſt whom they had revolted, and whom they had degraded. That they continued to rule in the name of the Mogul, though they had thrown off his authority, and overturned his empire; and that this line in politics, accorded with the prejudices of the people from the ſupport which they gave to vicious and unprincipled rebels.

—Under the later uſurpers.

It has appeared, in the third place, that when the firſt uſurpers were degraded by others, the ſame kind of political chain had only new links added to it. The new

ufurper continued the name, firft of the old one, and next of the degraded Mogul; a proof, that even arms cannot command the prejudices, though they may the fervices of the vanquifhed. Nor were the Hindoo States lefs abfolute in their principles and conduct. If the Nizam, and Aliverdi dethroned and expelled the Mogul from the provinces of which they had been Governors, they continued to rule in his name, fo did the Peifhwah and Hyder Ally, the Rajahs of the Mahrattahs and of Myfore, and if thefe Rajahs really live, the ufurpers rule in their names, though the unfortunate chiefs are immured in the folitude of a prifon.

—Under the Eaft-India Company when they acquired their territories.

It has appeared, in the fourth place, that the firft Britifh conquerors were in circumftances, which induced them to take the fame ground with the ufurpers who had preceded them. In this meafure, they indeed had no choice: for they knew, that the fudden panic in the natives, which had yielded an eafy victory to the Company's armies, would, from the nature of that depreffing paffion, quickly evaporate: and that it was better to reconcile the natives to new and foreign Mafters, by accommodating power to their inftitutions and habits of thinking, than to take from them partialities, which human nature, on no occafion, has been willing to relinquifh. To this forefight and to this political wifdom in Lord Clive, Great Britain is more indebted for its Afiatic dominions, than to his victory at Plaffey.

—Under the fucceffive prefidencies.

It has appeared, in the laft place, that, after the Britifh power had been introduced, the divifion of authority among

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the Governors and Councils, not only was the ſource of weakneſs and of want of energy in their adminiſtration, but of the corruption which made and unmade Nabobs, for the ſole purpoſe of accumulating fortunes to mercantile and ambitious politicians. Even the fallen Mogul muſt be brought forward, and his name uſed, as an authority, for ſanctioning meaſures, to which the natives were compelled to ſubmit. Who were in the right, or in the wrong, in particular caſes, is not now the queſtion: but that the whole of the ſyſtem of government was wrong, even the partial information which Parliament had then received, ſufficiently evinced. Hence, the remedy which it wiſely deviſed, of fixing the ſupreme Government in Bengal, and rendering the Preſidencies of Madras and Bombay dependent upon that government; and hence, after fuller information had been procured, the wiſdom of rendering the Governor-general independent of the Councils, and reſponſible only to the Directors and to the State.

These aſpects of ſubordination, in Hindooſtan, require one ſupreme Governor.

FROM the kind of ſubordination then, which prevailed, during the vigor of the Mogul empire; from the imitation of the Mogul policy, by the ſucceſſive uſurpers in the different provinces; from the confuſion which took place, in the Britiſh Preſidencies, in conſequence of divided authority among Governors and Councils, from the foreſight of Parliament, in changing this ſyſtem, which might be proper for a commercial Company, though not for a delegated Sovereignty; and, in fine, from the experience of the beneficial effects of placing the Provinces more immediately

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under the coutroul of the executive government at home, it is demonſtrative, that the plan of government for our Eaſtern poſſeſſions, is that of one ſupreme Governor, who ſhall have full authority over all the provinces, aſſiſted by ſuch Councils as he may adviſe with; but without any right in them to check the exerciſe of his power in India, for which he is to be made reſponſible in England.

—Who muſt be abſolute in the opinion of the natives, but reſponſible in Britain

THE Governor-general ſhould appear to the natives to be abſolute, in the degree in which their Soubahdars were, though limited by the uſages which regulated theſe officers; and, to the Britiſh ſubjects, ſerving the Company, or reſiding under its protection, to have the ſupreme power in India, though reſponſible in Britain. It would be dangerous, with reſpect to the former, if we attempted to alter a ſyſtem of government to which they look up for protection: we have recently ſeen, in the downfal of the moſt conſolidated and poliſhed monarchy in Europe, the evils and fatal conſequences of innovation. It would be impolitic, with reſpect to the latter, becauſe it might again introduce thoſe cabals among the Members of the different Councils, and thoſe unfair proceedings in trade, in India, which it has been the object of Parliament to correct, puniſh and prevent.

—ſhould be the repreſentative of the Britiſh nation in India.

THE mode of civil government then, which the nature of the caſe, and which experience points out for India, is that of a *Vice-roy, or Governor-General* over all the ſettlements

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and interefts of Great Britain in the Eaft-Indies. It is, at all times, much more wife to found upon the bafis of an old and eftablifhed fyftem, than to fubftitute, in its place, the moft plaufible but untried theory.

—but remain in the nomination of the Directors.

As the Governor-general is, from his rank, both the reprefentative of the ancient Soubahdar of the Moguls, and of His Majefty, it will be expedient that he fhould be vefted with the dignity, as well as with the Powers of office. In this way his fituation will be accommodated to the ideas of the natives, refpecting their Sovereigns, and, at the fame time to the fpirit of the Britifh conftitution, which admits of the delegation of fuch power to the reprefentatives of the King, but makes them refponfible for the exercife of it. The nomination, however, of the Governor-general and Prefidents, may remain with the Company, acting with the approbation and under the controul of the executive power.

Bengal to continue the feat of Government; Madras and Bombay to be dependencies on it.

To prevent every appearance of change which might either unhinge the prefent foreign fyftem, or alarm the natives (fubjects of Great Britain) or the Indian States and Princes in alliance with us, the prefent divifion of the Prefidencies ought to be continued. Bengal, both from the magnitude of our poffeffions, in the center of India, and from the eftablifhed practice in public tranfactions with the native States and Princes, ought to remain the feat of the fupreme government. The Prefidencies of Madras and Bombay, ought to continue fubordinate to it. The Governors of either fhould, in their particular fettlements, derive their

their appointment from the ſame ſource with the Governor-general, and under the like connexion with the executive power. They ſhould be veſted with a ſimilar authority in their reſpective Preſidencies, with that which the Governor-general exerciſes in Bengal, under the exception, that in ſo far as regards their adminiſtration, they ſhould be underſtood, both by the natives and by the Britiſh ſubjects, to be under the controul of the Governor-general, and amenable to him for every part of their conduct. This dependency of the ſubordinate Preſidencies upon the ſupreme government, cannot be rendered ſo obvious to the natives, or fixed in iſelf, as by continuing the late powers given to the Governor-general, of being ſupreme in any of the Company's ſettlements, in which the ſtate of the public affairs may require his preſence.

In the caſe of a vacancy happening in the office of Governor-general, (who is alſo Governor of the garriſon of Fort William,) or in the office of Preſident and Governor of Fort St. George or of Bombay, theſe offices ought to be ſupplied by the Company, under the reſtrictions already pointed out. His Majeſty, however, as at preſent, ſhould have the power of recalling ſuch Governors or Preſidents, the recal being firſt ſignified to the Court of Directors, by an inſtrument in writing, under His Majeſty's ſign manual, counter-ſigned by the Preſident of the Board of Commiſſioners for the affairs of India.

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All the other settlements to be residencies.

Experience has shewn the inconveniency of having a President and Council at Fort Marlborough in the Island of Sumatra; and that the administration of affairs in India has been simplified, by reducing it to be a Residency, depending upon Fort William. Considerable saving has been made in the expenses of maintaining it, as a Residency only. It ought therefore to remain in this subordinate situation, and in case of any new establishments being made within the Company's limits, they should be residencies only, subject (according to local situation and other accidental and expedient circumstances) either to the Bengal, or the Madras, or the Bombay presidencies.

The selection of a military or civil Governor-general and Presidents, to be in the government at home.

To prevent, as much as possible, jealousies or disputes from arising between the civil and military power, it ought to be left to the Government, at home, to confer the appointments of Governor-general and Commander in Chief, or Presidents and Commanders in Chief, in the subordinate settlements, on the same or on different persons, as circumstances may require the union or separation of their duties. There was nothing which, during the first period of our power in India, appeared more unintelligible to the natives, than that an officer, at the head of an army, could be controuled by, or could pay obedience to a Civil Governor. Both, therefore, on account of the prejudices of the natives, and to prevent jealousies or embarrassments in the service, it may be proper, at one time, that the Governor-

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general ſhould alſo be a military officer, and one of reputation and of experience; at another time, as events may occur, a Civil Officer, whoſe knowledge and local experience may point him out to be the moſt proper perſon upon ſuch an occaſion. The executive reſponſible government, at home, can alone judge of theſe occaſions. In the event, however, of a Civil Governor-general being appointed, the Commander in Chief ought to be held reſponſible only, for the execution of the orders he may receive from his ſuperior, the Civil Governor.

Duties of the Governor-general and Preſidents.

THOUGH the duties of the Governor-general, and Preſidents of the ſubordinate ſettlements, have been pointed out by the act 1784, and more fully defined by ſubſequent acts, and by the arrangements introduced by the Commiſſioners for the affairs of India, it will be proper to explain them in detail, as the firſt and moſt important branch of this plan. The duties of the Governor-general and ſubordinate Preſidents, ought to conſiſt in receiving and anſwering all letters from the Directors and from the executive government at home. In matters of a public concern, the Governor-general ſhould continue to addreſs his letters to the Secret Committee, and in matters of a commercial nature, to the Chairman of the Court of Directors. In either caſe, the Court ought to be bound, forthwith, to communicate the contents to the Commiſſioners for the affairs of India. This arrangement has had the effect of rendering the Commiſſioners more poſitively reſponſible to Parliament, and the

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CHAP. I. Directors to the Proprietors. The Governor-general, as President of the Supreme Council, ought to have the power of consulting with the Members of Council, and of ordering the consultations to be engrossed and reported. He is to summon Councils, at specified times, as public or commercial business may require. He is to lay before the Council reports from the subordinate Boards, and, in fine, whatever matters of expediency he may think require their advice and assistance. He is to have the option, however, of deciding for himself, or of deciding by the majority of voices in the Council; but, in both cases, he alone is to be responsible. He is to have the right of assigning his reasons, or not, to the Council, for whatever opinion he may adopt; and, if he think it expedient, he may order the opinion's of the Members of Council, first, to be reduced to writing, next, to be recorded, and, lastly, to be sent home with his own decision. He is not to be obliged to disclose the reasons of his opinion to the Council, farther than may be necessary for carrying the business, upon which it is formed, into execution. He is, however, in all cases, to communicate it to the Directors and to the Executive Government at home. He is always to preside in the public department, whether, when it is judging of the reports from the different stations in the Presidency, under his immediate charge, of the intelligence he may receive from the Residents at the Courts of the country powers, or of the interferences which the British nation may have in India with the European Powers.

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Reports to be made to him from the ſubordinate Preſidencies, with his powers of judging and deciding on them.

From the ſupremacy of the government of Bengal, all reports reſpecting the meaſures adopted, or propoſed to be adopted, in the ſubordinate Preſidencies of Madras or Bombay, are to be made to him. In ſuch caſes, he is to diſcloſe the contents of the diſpatch to the Council, and to require their opinions on them; but, on account of his reſponſibility, he is to be left at liberty to form a reſolution for himſelf, and to explain his reaſons, or not, to the Council, as he may think it expedient. He is always to ſend home, with ſuch deciſions, copies of the correſpondence, with the ſubordinate Preſidencies, as well as copies of the recorded opinions of the Council, on the ſubjects of them, that the Directors and the executive government may have the fulleſt information reſpecting the meaſure which has been adopted. That the whole buſineſs may be as much in uniſon as poſſible, he is to tranſmit alſo a copy of his own deciſion, not only as ſent to the Preſidency which had applied for it, but to the other Preſidency, with his order for its conforming to his commands, in ſuch manner as ſhall the moſt effectually ſecure the execution of them. In caſes where it may be of advantage to have the opinion of the natives, on any matter, either of politics or of commerce, it has been recommended, that the Governor-general ſhould have the power of calling upon ſuch of the natives, as may have been uſeful to the Britiſh nation, and of giving them ſuch allowances, as the nature of the ſervice may require, or of conferring on them ſuch *honors* or *titles*, as may tend more effectually to enſure their allegiance.

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Salary of the Governor-general, &c.

The ſalary of the Governor-general may be fixed, as at preſent, at £.25,000 per annum. He is to take the oath of fidelity, and againſt receiving preſents or gratuities, directly or indirectly. In caſe of a breach of either oath, he is to be liable for a miſdemeanor, and puniſhable by the Committee of Parliament, appointed for trying Indian delinquents. The evidence may firſt be taken in India, and next, tranſmitted by the ſupreme Court of Judicature to Britain, that the accuſed may be brought to trial within a ſpecified time.

Offices and duties of the Councils.

Having thus defined the rank and duties of the Governor-general and of the Preſidents of ſubordinate ſettlements, it will next be neceſſary to deſcribe, the offices and duties of the Councils; it being always underſtood, that the powers given to the ſupreme Council for Bengal (allowing for difference of circumſtances), are the ſame which are to be exerciſed by the Councils in the ſubordinate Preſidencies.

Changes required in this part of the government.

Several circumſtances, which experience has pointed out, will render it expedient to make ſome changes in this branch of the government. In the firſt place, the political ſituation of India, ſince Great Britain became poſſeſſed of territorial dominions, requires, that the Councils ſhould be compoſed of men converſant in public affairs, as well as in Aſiatic commerce. Neither the ſpecies of education, which many of the Company's writers may have received, nor the opportunities of improvement, which their ſubſequent habits of buſineſs may have afforded them, can,

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can, in many cafes, qualify them (if fucceffion is to proceed by feniority alone) to judge of the political interefts of India, or of the connection which now fubfifts between Great Britain, as an Afiatic power, and the European nations having commercial and political interefts in the Eaft. It is neceffary, therefore, that the Council fhall be compofed of men fully qualified for their ftation, and not made up of thofe, to whom the accident of feniority, in the Company's fervice, might affign a feat in it. Seniority furely cannot form the Financier, nor the Statefman: both of thefe characters however muft be found in the Councils of our Afiatic Prefidencies, to which the Governor-general or the Prefidents are to refort for advice in his or in their adminiftration. Such characters may have arifen among the Members of the fucceffive Councils in India; but thefe events can have no weight in the formation of a fyftem, and can only be confidered as contingent or fortunate. In the next place, it is evident, that no Council can be properly compofed, without including in it Members, who have had long practice and local experience in India, both in the novel fubject of Indian politics and in the fingular one of trade connected with the revenue. On this account, the Directors, in concert with the Executive Government at home, ought to have the power of felecting Members for the different Councils, from the Company's fervants, of twelve years ftanding and employment in the country.

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The Councils to be selected from Company's servants of twelve years standing.

THAT the conftitution of the Councils may embrace the whole of thefe ideas, it ought to confift of a fpecified number of Members, befides the Governor-general. They ought, from the nature of their duties (to be immediately defcribed), to be in the nomination of the Directors, acting in concert with the executive power, and felected from fuch of the Company's fervants as may be judged the beft inftructed in the politics and commerce of Europe and of India. It may be proper that they fhould have been twelve years refident in the fettlement to which they are appointed. The power of recalling them ought to proceed upon the fame principle with that of recalling Governors or Prefidents.

Duties of the Members of Council.

THE duties and offices of the Members of Council fhould be as follows. They ought to affift the Governor-general, or Prefidents, with their advice, and to fanction the reports from the fubordinate Boards, in the manner that fhall be immediately pointed out; they ought to fhare in all the functions of the executive government, whether in matters of political concern, in the diftribution of juftice as members of the Nizamut Adawlet, &c. in the regulation of police, or in the direction of commerce; and in whatever cafes the Governor-general, or Prefidents, exercifing the executive power, may require their affiftance.

Divifion of the Adminiftration among feparate Boards.

SUPPOSING the Governors and Councils to be eftablifhed upon this plan, the bufinefs ought to be conducted (as at prefent) by four diftinct boards; the *Board of Council*, the *Board of Revenue*, the *Board of Trade*, and the *Military Board*.

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Conſtitution and duties of the Board of Council.

1. THE *Board of Council* ought to conſiſt of the Governor-general, and the Members of Council: to this Board have been aſſigned thoſe branches of buſineſs, which are comprehended under the general title of the *Public Department*, viz. the correſpondence with the Directors and with the Secret Committee; the correſpondence with the ſubordinate Preſidencies; the examining and judging of all plans that may regard the internal adminiſtration of the provinces, whether ſuch as relate to the conduct of civil or military officers, the improvements or alterations required in matters of taxation, the employment of the army, or the eſtabliſhment and direction of the police.

Conſtitution and duties of the Board of Revenue.

2. THE *Board of Revenue* ought to be compoſed of that Member of Council, as its Preſident, who has been ſelected from among the Company's ſervants, on account of his local knowledge and experience; ſuch Preſident ſhould always be one of the Company's ſervants who has been trained in this particular department or been employed in it, at leaſt, twelve years. He ought to be made reſponſible to the Governor-general for whatever meaſures he may adviſe, or whatever orders he may give to the civil ſervants placed under him, in the various delegations of his truſt. He ought to examine and ſanction the reports from the ſuperintendents of the different diſtricts, reſpecting all matters of revenue that come immediately under his direction and controul. In the diſcharge of this office, he ought to be aſſiſted by the

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Receiver-general of land rents, the Collector-general of cuftoms, and the Collector-general of inland duties. Each Member of this Revenue Board (it fhould be underftood) is to be refponfible to it, in the firft inftance, for the management of that particular branch of the bufinefs which is more immediately committed to his charge.

Conftitution and duties of the Board of Trade.

3. THE *Board of Trade* ought to be compofed of that Member of Council, as its Prefident, who has been appointed, to this department on account of his capacity and experience in commercial affairs. It has already been fpecified, that he ought to be of twelve years ftanding in the fervice; perhaps it may be expedient, that his ftanding fhould be in this particular line. He fhould be affifted by a number of fenior fervants correfponding to the commercial refidencies in the fettlement. Each of the Members of this Board fhould have the charge (in fubfervience, however, to the orders of its Prefident) of that part of the bufinefs which, in his quality of Refident or Factor, had formerly been under his direction; and, in a particular manner, ought to be refponfible for the fales, of imports from Europe; for the quality and price of the goods provided in India; for the home or foreign markets; and, in general, for every thing that relates to the commercial interefts of the Company.

Conftitution and duties of the Military Board.

4. THE *Military Board* ought to be compofed of the Commander in Chief (even fuppofing him to be the Governor-general)

general) the ſecond in command; the Chief Engineer; and the Commandant of Artillery. Each Member ought to have the duty of managing and reporting to the Board, that part of the buſineſs of the army for which he is profeſſionally qualified: that is to ſay, the Commander in Chief ſhould direct in all matters relating to the general conſtitution and ſtate of the Company's European, or Native troops. It, perhaps, might not be improper to aſſign, to the ſecond in command, the more immediate ſuperintendence of the native Sepoy corps: to the Chief Engineer all matters regarding fortifications, military roads, &c. and to the Commandant of Artillery, whatever relates to the military ſtores, &c. required in that important part of the ſervice in which his corps is more immediately called to act.

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It might be proper that the reports of theſe Boards, ſigned by their Preſident, ſhould be made monthly in Bengal, to the Governor-general, in the ſubordinate ſettlements to their reſpective Governors; that each, upon taking a review of the whole buſineſs in his particular ſettlement, might be enabled to adopt meaſures calculated to promote the commercial and political intereſt of the Company.

Reports from theſe Boards to be made monthly;

The Preſidents of the ſubordinate ſettlements ought to tranſmit to the Governor-general, quarterly, the ſtate of each of the departments in the ſettlements more immediately

—from the ſubordinate preſidencies quarterly, to be tranſmitted to Britain.

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diately under their charge. This would have the effect of placing, conftantly, under his eye, the actual ftate of affairs in all the fettlements, and would enable him to make up quarterly reports on them, to be tranfmitted to the executive Government and Court of Directors, at home. One copy of thefe reports ought to be fent over-land; one by a packet veffel every three months; and one by the firft of the Company's chartered fhips that might fail after the preceding difpatches had been fent off.

—Office and duties of the Secretaries.

THERE fhould be, as at prefent, one principal Secretary at each of the fettlements, to whom all difpatches fhould be delivered, and by whom all difpatches fhould be fent off. Under his infpection, all deeds, acts, and records, fhould be made up for the perufal and approbation of the Governor-general and Council; and, in the fubordinate fettlements, of the Prefidents and Councils. The Secretary, at the principal feat of Government, fhould have the duties of tranfmitting the letters of the Governor-general to the Directors and Secret Committee, and to the Prefidents and Councils; and of receiving and communicating the difpatches or anfwers which may be received from either. Allowing for difference of circumftances, the duties of the Secretaries, at the fubordinate Prefidencies, muft be of the fame kind and extent. The Secretary, at the feat of government, fhould be allowed one or more Under-fecretaries, with principal and fubordinate clerks, (felected from

from the Company's covenanted ſervants) according as the extent of the buſineſs may require. Theſe clerks ought to be in the nomination of the Governor-general or Preſidents; ſubject, however, to confirmation in Britain.

The ſalary of the Secretary ought to be fixed, and he ought to take the ſame oaths of fidelity, ſecrecy, and againſt receiving preſents, as thoſe which have been taken by the Governor-general, Preſidents and Councils. If it be found that the Secretary, or his Subordinates, betray the truſts repoſed in them, or receive bribes or preſents, the Governor general, and Preſidents, ought to be veſted with the power of inſtituting an enquiry into the charges which may be exhibited, and of ſending the perſons home, with the proofs, for trial, in his Majeſty's courts of juſtice in Great Britain.

At the ſeat of Government, it has already been hinted, that there ſhould be, in the office of the Secretary, one or more Subordinate, or Under-ſecretaries; the duties of the firſt may be to manage that part of the public department which regards the native States; the correſpondence with the ſubordinate Preſidencies, and the making up the reports from the revenue, commercial and military departments. The duties of the ſecond may conſiſt in the management of that part of the public department which regards the European powers having intereſts in India, and the

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preparation of the diſpatches for the Government at home. In the ſubordinate Preſidencies, the whole of theſe duties might be aſſigned to one Under-ſecretary.

It might here alſo be ſuggeſted, that each of the Boards which already have been deſcribed, ought to have a particular officer, under the like conditions of fidelity, ſecrecy, and purity of conduct with the Secretaries, and that his duty ſhould be to make up the reports of the particular Board to which he belongs, which, when ſigned by its Preſident, ſhould be tranſmitted to the Governor-general, or Preſidents, and held as official records.

—Queſtion whether the foreign Governments, ſhould have the power to make temporary regulations for the internal adminiſtration of the Provinces.

Having thus marked out the Government, and adminiſtration which ſeem to be required for the mixed political and commercial intereſts of Great Britain, in India, a queſtion of ſome political delicacy and difficulty preſents itſelf: *How far would it be proper to veſt the Governor-general and Council, or Preſidents and Councils, with a ſubordinate power, to make regulations affecting the intereſts of the ſettlements committed to their charge, as events, and the exigencies of affairs might require?* That ſome ſuch power muſt be authorized, the diſtance of India from Britain, and the diverſified characters and intereſts of the natives, ſeem obviouſly to require. That the conferring of it in ſuch a manner, as neither to allow of the poſſibility of its infringing on the rights of the natives, ſubjects of Britain, whom we are bound

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to protect by every tie of national honor, and by the faith of treaties, is obvious. That it ought not to encroach upon either the executive or legiſlative powers of this country, is not leſs ſo. To define its nature and limits, will call for the moſt cool diſcuſſion, and experimental wiſdom of Parliament. It is ſubmitted, therefore, to the conſideration of the Legiſlature, whether it might not be proper to veſt the Governor-general and Council with the power of making ſuch rules and ordinances, particularly in matters of revenue, juſtice, and police, as events or exigencies may require. It being, at the ſame time, underſtood, that ſuch regulations or ordinances are to be temporary only, and to be in force no longer than (agreeably to the preceding plan of tranſmitting diſpatches) the pleaſure of his Majeſty, in Council, ſhall be known.

Reſtrictions under which this power ought to be placed.

To the end that the King, in Council, may have the fulleſt information, upon a matter of ſuch importance to the general intereſts of His empire, it ought to be underſtood, that, in ſuch caſes as will admit of delay, the propoſed regulations are to be ſent home, to receive the King's ſanction. In ſuch caſes, again, where this delay might be injurious to the general intereſts of His dominions, that copies of the regulations ſhould be ſent home by the firſt opportunity, ſpecifying the nature and object of the regulation which has been enacted; the reaſons that have induced the Governor-general and Council to form it; and accompanied with the different opinions which have been given by the Members of Council on the ſubject. If the

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regulation has actually been in force, they ought to add an account of the effect which it may have had, during the time it has prevailed, that His Majesty may be able to form an opinion of the propriety and expediency of continuing it.

Restrictions to be laid on the executive government at home respecting it.

IT may also be proper, that the Directors and Commissioners shall be bound (within fourteen days after receiving such dispatch) to lay the whole business before His Majesty, in Council, to be either confirmed or reversed by his authority. If it should be confirmed by the King, in Council, then the regulation is to be held as fixed and established, unless it shall, upon a future representation, be His pleasure, in Council, to disallow, or to abrogate it. If the affair should be of such magnitude as to call for the general wisdom of the Legislature, the Parliament may request His Majesty to vary, modify, or to annul it. In all of these cases, it is to be understood, that the regulation is to be in force till such time as the King's pleasure shall be known, or till orders, in consequence of such alterations, by Parliament, shall be received in India.

Degrees of it expedient in the subordinate Presidencies.

THE Presidents and Councils of Madras and Bombay ought, upon the same principles, to be vested with similar powers, with this distinction, that the regulation which they may think necessary or expedient to enact, shall, in the first instance, be proposed to the Governor-general and Council, who, after considering the case, may either authorize it or not, as they may apprehend it to be for the general

general intereſts of the ſettlements. If they ſhall authorize it, then the regulation is to be held to be in the ſame predicament as if it had originated with themſelves. If they ſhall prohibit it, then, after the ſubordinate Preſidency ſhall have received ſuch prohibition, the regulation is to ceaſe to be in force. In ſuch caſes the Governor-general ſhould be obliged, with the firſt opportunity, to ſend home the whole caſe, with the reaſons which have induced him and the Council to form their opinions; that the whole may come, in the manner which has already been deſcribed, before His Majeſty in Council, or may become a ſubject for the deliberation of the Legiſlature.

It is, perhaps, unneceſſary to repeat, and yet is proper diſtinctly to ſpecify it, that the ſame kind of ſubordination which is propoſed to be eſtabliſhed for the government-general of Bengal, may be made the model which, allowing for different local circumſtances, ought to be adopted in the Preſidencies of Madras and Bombay.

Conſtitution of the judicial, financial, and military powers required in the Britiſh dominions in India.

Having thus marked out the kind of ſubordination which ſeems to be ſuited to the Aſiatic ſubjects of Great Britain, we have next to aſcertain the judicial, financial, and military powers required to perfect the eſtabliſhment of it. Upon this intereſting ſubject, certain leading circumſtances will direct us. The ſervants of the Company and the licenced inhabitants will require the Laws and law courts to which they have been habituated to appeal in Europe, while the natives will look for the continuation of the

CHAP. I. inſtitutions and the juriſdiction which they underſtand, and to which they are, from education and prejudices, attached. The Britiſh ſubjects, in the ſame way, will expect ſuch a ſyſtem of revenue as can be rendered ſubvervient to the maintenance of the Britiſh ſovereignty, and yet be accommodated to the trade by which the ſurplus revenue is to be realized in Europe. The natives will look back to the ſyſtem of taxation underſtood in their country, and give their confidence to their European ſuperiors, in proportion as the ancient financial ſyſtem ſeems to remain. This ſyſtem may become more, fixed in its characters, and more mild in its practice, than that to which they or their anceſtors have been ſubjected by gradually introducing into it the mild maxims of the Government of Britain; but as a ſyſtem it cannot be wholly relinquiſhed or aboliſhed. The Britiſh army, in like manner, will expect a military arrangement coincident with that upon which the Company's originally formed it; while the natives, who have hitherto looked up to the European art of war, as taught them by the Engliſh, and to a ſubordination with which they have been familiarized in a ſeries of campaigns, will expect, under it, ſituations in which their allegiance and their valour can be obſerved and rewarded. Such are the judicial, financial, and military powers, by which that kind of government required for Britiſh India, muſt be ſupported; and from which it may be expected to derive energy and value.

4

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

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SECT. II.

OF THE JUDICIAL POWER REQUIRED UNDER THE PRECEDING PLAN OF GOVERNMENT.

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IN every country the judicial power ariſes from the application of the ſimple precepts of juſtice, to the rights of life and property of the ſubjects which it comprehends; and in the hiſtory of every people, we diſcover theſe precepts mingled with religious opinions, and with the accidental events which have given a particular caſt to their characters and manners. Hence it has always been difficult to alter, and impracticable totally to change courts of law.

Nature of the judicial power and circumſtances with which its progreſs is uniformly blended.

THE laws which have prevailed in Hindooſtan have been of two diſtinct deſcriptions; thoſe of the Hindoos, and thoſe of the Mahomedans: both of theſe ſpecies of laws were intimately blended with the religion of thoſe two orders of people, ſo that an attempt to encroach on the one would be as much felt, as a violation of the other would be reſiſted.

Aſpect of it in the Hindoo laws.

THE laws of the Hindoos, from Mr. Halhed's tranſlation of them, appear to be a collection of ſimple maxims of juſtice, applicable to the objects of a primæval and original people. In practice, however, the judges ſeem to have been uniformly influenced by the rites and cuſtoms of their

CHAP. I. ſuperſtition, though their conduct muſt have been controuled by ſucceſſive conquerors.

In the Mahomedan law.

UNDER the Mogul empire the principles of the Mahomedan law, taken from its relation to the Koran, have been explained by the ſects into which the lawyers were divided. Mr. Hamilton, in his traſlation of the Hedaya, informs us, that the Muſſulman, conquerors of India eſtabliſhed, with their religion and form of government, rules of practice for their courts of juſtice; that though they in general made the Koran their rule of judgment in the conquered countries, yet that they allowed the Hindoos, in ſpiritual matters, where they alone were parties, to appeal to their own Pundits. The Hindoos thus enjoyed an indulgence with regard to their ancient courts, except in caſes reſpecting property, in which a Mahomedan was a party. Here the deciſion always proceeded upon the Mahomedan law. This laſt circumſtance may, perhaps, be conſidered as the ſource of the prevailing corruption of the Mahomedan law courts, in which the deciſion was generally the reſult of a bargain between the Magiſtrate and the party who could pay the higheſt bribe. Theſe abuſes, however, did not alter the ſpirit of the law, which, in its oſtenſible operation, continued to be invariable. In criminal caſes, the Mahomedan courts alone decided; and, as has already been hinted, in caſes of property where one of the parties was a Muſſulman. Appeals, however, could be made to the Hindoo lawyers (for this claſs of people had no regular courts of juſtice) in

in cafes where the Mahomedan law had made no provifion, or in which a Mahomedan had no intereft. SECT. II.

In Hindooftan feveral events occurred which materially affected the progrefs of the judicial power. When the Moguls entered upon their conqueft, as well as after they had laid the foundations of their empire, they were animated with the ftrongeft zeal for the propagation of their religion; and, among other advantages which they expected to derive from its becoming the eftablifhed faith, in their new empire, were the introduction of laws, and of law courts, which were to be looked up to as perfect, becaufe they were believed to be facred. The nature and extent of the conqueft, however, required that the military eftablifhment fhould be large and permanent; and that the Emperor himfelf, as fovereign, fhould delegate, in the provinces, his *judicial* as well as his *military* powers. Hence the reafon why that part of the law which regarded revenue, came to be placed under a particular officer (the Duan) who was made independent of the Governor of the province, remitted the produce of the revenues to the feat of the fovereignty, and was amenable only to the Emperor or to his vizier. And hence, too, the reafon why the Governors of the provinces endeavoured to corrupt the civil and criminal courts; becaufe this was the beft method of being independent of the Duan, and a productive means of enriching themfelves, during the uncertain period of their government. It could not, however, from the magnitude of the conqueft, but happen, that fome of the ancient

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Chiefs would be allowed to continue in their ſovereignties, though they were now to be ſubjected to a ſpecies of feudal dependence, and payment of a quit-rent to a new maſter. No more of the Mahomedan inſtitutions were introduced into theſe diſtricts, than was ſufficient to enable the Rajahs to raiſe that quantity of revenue which, in the firſt place, could afford the tribute to be paid to the Mogul; and, in the next place, enable them to ſupport their own authority. Hence the ancient Hindoovee civil and criminal inſtitutions remained in theſe diſtricts, though modified by an intermixture of Mahomedan law, and by ſuch events as gave riſe to new deciſions upon the ſpirit of that juriſprudence. One of the circumſtances, which encreaſed the degree in which the Mahomedan inſtitutions prevailed, was the relation which, in all conquered countries, muſt ſubſiſt between police and revenue: the exerciſe of the one being conſtantly required to enſure the payment of the other.

—And during the period from the fall of the Mogul empire to the eſtabliſhment of the Britiſh power in India.

Such, in general, ſeems to have been the ſituation of the Judicial Power during the vigor of the Mogul Government. The uſurpers, who contributed to the fall of this empire, were either its officers, or Mahomedan ſoldiers of fortune; and as they had no idea of any other government but of one reſembling the monarchy which they had overturned, they, of courſe, imitated it in their political arrangements. Like the Mogul, they had their Duans depending on them; and like him they made police ſubſervient to the revenue laws; under them, as under the Mogul,

Mogul, civil and criminal courts were uſed, as inſtruments for confirming the power of the new Sovereign, or for giving authority to the officers, to whom he entruſted the different portions of his territory.

SUCH of the Rajahs as became Feudatories of theſe uſurpers, continued the degree of Mahomedan Juriſprudence, which has already been ſhewn to have been introduced into their governments; while thoſe of them, who became abſolutely independent, continued nearly the ſame degree of it, as the moſt effectual means which they could employ, to obtain reſources for ſupporting their ſovereignty.

Progreſs of the judicial power under the Eaſt-India Company.

IN this ſituation, Great Britain found the judicial power, in the provinces which fell to it, not as an abſolute conqueſt, but under treaties authoriſing the Eaſt-India Company to aſſume the rank of officers of the Mogul, or of allies, and partakers of power with native Princes and States.

THE events which attended our conqueſts and the eſtabliſhment of our power, were of that kind, which prevented the Company's Officers and Governors from even thinking of innovations on the judicial power. It was time only, and the circumſtances which neceſſarily occurred between conquerors directed by merchants, influenced chiefly by commercial ideas, that pointed out the expediency of introducing the laws of England, as a better means of regulating the judicial power, than the Mahomedan laws ſeemed to afford. Several circumſtances contributed to favor this innovation,

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vation. Formerly, the Company's agents were dependents on the country powers, and obliged to purchase decisions in their law courts at a high price; now, they were masters, and could direct these law courts in the manner of the chiefs from whom they had wrested the authority. Hence, one great source of the oppressions of which the natives complained, as well as of the vindication which the servants of the Company offered of their conduct, by saying, that it was agreeable to the established judicial procedure in the provinces.

—In their ancient factories;

ANTERIOR to the conquest, we have already seen, that Government had vested the Company with the powers of exercising civil, criminal, and martial law, in the seats of their trade; that Mayor's Courts had been erected at their different Presidencies; and that to these, they resorted, both in such cases as occurred between their own dependents, and in cases where the nature of the suit enabled them to bring the natives into court. It was, therefore, an obvious expedient with the Company, to extend this kind of judicial power over the provinces which had fallen to their arms. If the Hindoos had detested and execrated the Mogul jurisprudence, still they had been inured to it; and if the Mahomedans had reluctantly admitted the English to participate in the sovereignty, still they had considered the share of it which they retained, as entitling them to preserve the law courts, that had originally marked their government, and to which they had been habituated to appeal. Such circumstances made the inhabitants in general reluctant to

admit

admit the change, and more diſpoſed to value an evil which they knew, than to augur good of one which they could not comprehend. The Engliſh, beſides, by aſſuming the character of officers of the Mogul, and ſupporters of the Nabobs, in whoſe names they adminiſtered juſtice, in the very attempt to alter the characters of the judicial power, were obviouſly counteracting the prejudices of their dependents and new ſubjects. We can, therefore, eaſily account for the ſlow degrees and difficulty with which their new judicial proceedings advanced; and why an intermixture of Mahomedan and Engliſh laws has been adopted in our Aſiatic provinces.

—After the Supreme Court of Judicature was eſtabliſhed.

WHEN the Supreme Court of Judicature was introduced, it was found calculated for the purpoſes of correcting defects in the practice of the Mayor's Courts (already known in the provinces), and of deciding all caſes between Britiſh ſubjects, or thoſe comprehended under that deſcription of inhabitants. In thoſe caſes, however, in which the natives were parties, neither its procedure nor its deciſions met their prejudices or their notions of law. Hence the origin of the regulations which were introduced in the law courts for the natives; and hence the changes on this ſubject, from one ſyſtem to another, during the laſt thirty years.

Fouzdary courts for criminal caſes revived.

IN 1772, Fouzdary Courts*, for the trial of criminals, were inſtituted in the ſeats of the collectors in the different provinces,

* "Fouzdar, the Chief Magiſtrate of a large diſtrict, who has charge of the police, and takes cognizance of all criminal matters; alſo a Commander of the ſoldiers. Sometimes

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provinces, who were directed to ſuperintend the proceedings of the officers of theſe law courts; and ordered to ſee that the neceſſary witneſſes were ſummoned and examined; and, in fine, to take care that the deciſions were fair and impartial.

—Nizamut Adaulet inſtituted.

THAT this plan might gradually ripen into a more perfect practice, a ſuperior court of criminal juriſdiction was eſtabliſhed, under the denomination of *Nizamut Adawlet* †, for reviſing the proceedings of the provincial criminal courts; while a ſimilar controul over this court was lodged in the chief and council of Moorſhedabad, as has already been ſpecified, to have been veſted in the collectors, over the provincial courts. This laſt meaſure was ſoon found to be inadequate, and was aboliſhed. The Nizamut Adawlut, of conſequence, was removed to Calcutta, and placed under the immediate charge of a Darogha §, ſubject to the controul of the Preſident and the Council, who, by this innovation, were enabled to reviſe the ſentences of all the criminal courts in capital caſes.

Sometimes it is one who receives the rents from the Zemindars, and accounts with the Government for them. The diſtrict of lands under his juriſdiction, is called Chuckla."

INDIAN VOCABULARY.

† "Nizamut, the office of a Nazim; that is, the firſt officer of a province, in whoſe hands the executive power is lodged, uſually ſtiled the Nabob.

"Adawlet, a Court of Judicature for the trial of cauſes reſpecting property."

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§ "Darogha, a ſuperintendant." MR. GLADWIN.

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Changes made in the constitution of the Ni a-mut Adaw-lut, in 1775—

THIS arrangement, with a few alterations, continued till 1775, when the Nizamut Adawlut was again established at Moorshedabad, under the superintendence of the Naib Nazim *, by whom Fouzdars were appointed in the several districts for apprehending and bringing to trial all offenders against the public peace.

—in 1781—

THIS system was adhered to till 1781, when the establishments of Fouzdars and Tannadars † were abolished, and in lieu of them, the civil judges, being Company's covenanted servants, were invested with power, as magistrates, of apprehending dekoits §, and persons charged with the commission of wrongs or crimes, or acts of violence, within their respective jurisdictions, and of sending them for trial to the nearest Fouzdary Court, remaining upon its ancient establishment. To enable Government to watch over this mode of administering justice, there was established, under the controul of the Governor-general, a separate branch of this department, at the Presidency, to receive monthly returns of the sentences passed in the Fouzdary courts, with a Remembrancer, whose duty it was to act as assistant to the Governor-general in discharging this important trust.

* Naib Nazim, Deputy Nazim.

† " Tannadar, a Commander of a small fort."

§ " Decoyt, a Robber.

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It was ſoon, however, found, that this plan was inſufficient for the purpoſes intended by it. The authority of the Engliſh magiſtrate was, on many occaſions, evaded by the Zemindars, and principal land-holders. This obliged theſe magiſtrates to deliver over the perſons, charged with breaches of the peace, to the Darogah of the Fouzdary court, where, for petty crimes, they often remained in priſon for years, and where, to obtain relief, they were under the neceſſity of uſing every means to evade juſtice, and to eſcape from puniſhment.

—in 1787—

To remedy this evil, in 1787, the magiſtrates were veſted with authority, to hear and decide on petty caſes of affray, ſuch as giving abuſive names, and the like; and to inflict corporal puniſhments; or impoſe fines on the offenders. To render the authority of theſe magiſtrates more complete, they were made collectors of the revenues in their reſpective diſtricts.

—ſubſequent changes, and new conſtitution of this court.

It was ſoon found, from the reports of theſe collectors to the Governor-general and Council, that even this improvement was inſufficient, and that courts of circuit were required to inſure a more prompt and impartial adminiſtration of criminal law. In the firſt place, the Governor-general reſumed the ſuperintendence of the adminiſtration of criminal juſtice; removed the Nizamut Adawlut, or chief criminal court, from Moorſhedabad to Calcutta, directing that it ſhould conſiſt of the Governor-general and Members of the Supreme Council, aſſiſted by the Cauzy ul

5 Cozaat

Cozaat, or head Cauzy* of the provinces, and two Mufties†; That it ſhould meet once a week, or oftener, as buſineſs ſhould require; and exerciſe all the powers lately veſted in the Naib Nazim, as ſuperintendent of the Nizamut Adawlut; That it ſhould leave the declaration of the law, as applicable to the circumſtances of the caſe, to the Cauzy ul Cozaat and the Mufties; That it ſhould have a Regiſter, or an officer to direct the executive buſineſs of the Court, who, with the lawyers, were to take the oaths, that they would decide with impartiality and juſtice. The deciſions of this court were to be regulated by the Mahomedan law, according to the doctrine of Yuzef and Mohummud. Perſian copies of the proceedings in all criminal caſes, tried by the courts of circuit, were to be referred to this court for deciſion. When it paſſed final ſentence, a copy of this ſentence, with a ſigned warrant, certifying the manner in which it was to be executed, was ſent to the judges of the court of circuit, that they might ſee it put into execution.

—Eſtabliſhment of Couts of Circuit—

In the next place, courts of circuit were inſtituted for the trial of criminal caſes, three for the province of Bengal, and one for Bahar, viz. courts at Calcutta, Moorſhedabad, Dacca, and Patna. Each court of circuit was to be ſuperintended by two covenanted ſervants of the Company, aſſiſted by a Cauzi and Mufti. The judges were to take the oath, that they

* "Cauzy or Kazzi, a Mahomedan Judge."

† "Mufty, a High Prieſt. It ſignifies properly an Interpreter of the Law. He is under the Cauzy."

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would decide with integrity and impartiality, and were to have a Regifter who fhould take the fame oath. The Cauzies and Mufties were to be in the nomination of the Governor-general in Council, to take the moft folemn oath, before the Nizamut Adawlut, and to repeat the fame, every fix months, in the circuit court, viz. on the 1ft of January, and 1ft of July. Thefe circuit courts were to be held twice in their refpective divifions each year, fetting out on the 1ft of March and 1ft of October; and, on their return to Moorfhedabad, Dacca, and Patna, to proceed to try all perfons committed by the Magiftrates of thefe cities. In the charge againft the prifoner, his confeffion was to betaken with caution. The Cauzy and Mufti were to explain the futwah or law, as applicable to the circumftances of the cafe, and to atteft their opinions with their feals and fignatures. The judges were to pafs fentence, in the terms of the futwah, and to iffue their warrant to the magiftrate, for the fame to be carried into execution, without delay, except in cafes where death or perpetual imprifonment were to be inflicted; which, if the judges fhould fee caufe to difappove, either on the ground of the trial, or of the futwah, the whole was to be reported to the Nizamut Adawlut; the final fentence of which, was to be awaited for, before the futwah could be carried into effect. The doctrine of Yuzef and Mohummud, in refpect to trials for murder, was to be the general rule, for the officers of the court; and the doctrine of Aboo Huneefah, which referred to the inftrument with which the crime was committed, and not to the intention, was to be no longer in force. The relations, in future, were to be de-

barred

barred from pardoning the offender. The judges were to report to the Nizamut Adawlut every inſtance in which the Cauzies or Mufties had been guilty of miſconduct in the diſcharge of their duty. The judges were to viſit the goals, and to ſee that the treatment which the priſoners received was proper, and to Report to the Nizamut Adawlut the inſtances of miſconduct in magiſtrates; they were alſo to report to it, ſuch propoſitions as might appear to them calculated for the better regulation of the trials of priſoners, and for the improvement of the police of the country. In caſes where they ſhould be of different opinions on theſe ſubjects, the ſenior judge was to have the caſting vote. SECT. I.

In the laſt place, the Collectors in the different diſtricts, were to be conſtituted magiſtrates within the limits of their collectorſhip. The ſubſtance of the regulations laid down for their conduct was, as follows: the juriſdiction of the magiſtrate was to extend over all places within the limits of his collectorſhip, excepting thoſe ſituated within the limits of the cities of Moorſhedabad, Patna, Dacca, and Calcutta; the three firſt of which were to be allowed diſtinct juriſdictions, the laſt was to be ſubject to the ſupreme court. The magiſtrate was to take an oath, that he would act with impartiality and integrity. His duties were to be, to apprehend murderers, robbers, thieves, houſebreakers, and to commit them to take their trial before the court of circuit: He was to iſſue his warrant for apprehending perſons charged with theſe crimes, upon information being made to him, on oath and after examining the party, either to diſcharge him, or —and of courts of magiſtracy;

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to commit him for trial: He was not to admit to bail, perſons, againſt whom there was probable evidence of murder, robbery, theft, and houſebreaking: He was to try petty offences, ſuch as abuſive language, affrays, &c. and, after proof, to inflict a corporal puniſhment, not exceeding fifteen rattans, or impriſonment, not exceeding the term of fifteen days. If the charge ſhould be found groundleſs, he was to puniſh the accuſer, in the preceeding proportions, or to impoſe upon him a fine of fifty rupees, where the party ſhould neither be a Zemindar, Chowdrie, or Talookdar,* paying a revenue of 10,000 rupees annually, nor a poſſeſſor of ayma land,† paying a rent to Government of 500 rupees per annum, nor of free land of the value of 1000 rupees: but this fine was not to exceed 200 rupees, and the exact ſum was to be left to the diſcretion of the magiſtrate. The magiſtrate was alſo to give public notice to the Cauzy and Canongoe§ of each Pergunnah, in his diſtrict, of the intended arrival of the court of circuit at the ſtation; to deliver to the judge of it, a liſt of all the perſons committed to priſon, or held in bail, for trial, with copies of the charge preferred againſt them, the liſt of witneſſes, &c. and after ſentence ſhould be paſſed, upon receiving a warrant

* Zemindar, a perſon who holds a tract of land immediately of Government, on condition of paying the rent of it. He is firſt in rank among the landholders. Chowdrie, an inferior Zemindar or landholder. Talookdar, the proprietor of a ſmall zemindary, who pays his rent ſometimes to Government, and ſometimes to the Zemindar or Chowdrie.

† Ayma Land. Land granted by the King, in ſome places ſubject to a ſmall quit-rent. It is hereditary.

§ Canongoe, a perſon ſent by the Nabob to ſurvey the diſtricts granted to the Company. Alſo Regiſter of the Suba or Province, who holds his commiſſion from the Emperor. Literally, a ſpeaker of the law.

from

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from the judges of the court of circuit, to ſee it carried into execution: He was alſo to ſubmit to the judges of the courts of juſtice, liſts of all perſons whom he might have apprehended and diſcharged: He was to viſit the goals, at leaſt, once a month, and to ſee that ſeperate apartments were aſſigned to priſoners under ſentence of death; one kind of apartment was to be allowed to perſons ſentenced to impriſonment by the court of circuit; another, to perſons committed to take their trial before it; and a third, to perſons under ſentence for petty offences: He was in the event of any European Britiſh ſubject, becoming amenable to juſtice, to ſend him to be tried in the ſupreme court of judicature, whither he was to repair himſelf, and take meaſures, or give ſecurity for the attendance of the witneſſes in the trial. In caſes where the witneſſes, from inability or poverty, ſhould not be able to defray the charge of the journey, he was to report the ſame to the Nizamut Adawlut for its determination. All Europeans, not Britiſh ſubjects (French ſubjects excepted, who were to be treated as Britiſh ſubjects) were to be equally amenable with the natives to him within his diſtrict, and to be tried in the court of circuit. When it ſhould become neceſſary to commit a Zemindar, or Landholder, he was to notify the ſame to the Governor-general. When the court of circuit ſhould direct a pecuniary compenſation to a party injured, the magiſtrate was to ſee the decree carried into execution; all complaints, with the orders upon them, were to be recorded in the magiſtrates office, both in Engliſh and Perſian, and monthly to be forwarded to the Nizamut Adawlut; returns were to be made ſpecifying the names of the perſons apprehended, and date of their apprehenſion, with

CHAP. I. lifts of prifoners, confined under fentence; of perfons on whom fentence had been paffed in the court of circuit; and of perfons tried and their caufes referred to the Nizamut Adawlut*.

Exifting defects in the judicial power in Britifh India,

IT appears from this hiftory of the judicial power in the center of the Britifh provinces (and allowing for the difference of fituation and circumftances of our fettlements on the Coromandel coaft, the fame obfervation may be made on judicial procedure in them) that the experiments which had hitherto been made, did not produce the beneficial effects which were intended by them; and the reafons are obvious.

—Arifing from the conftitution of the courts of juftice,

IN the firft place, the law of the country, as exifting during the period of the Mogul power, was mixed in its fources, and rendered obfcure by the interpretation of the lawyers. Though the Mahomedan jurifprudence was appealed to in the law courts which the Moguls inftituted, yet it was neceffary, from the nature of the cafes on which they decided, (to wit; the rights of the landholders, many of whom were Hindoos, and the quantum of revenue to be paid in the progreffion from the Peon to the Farmer and to the Zemindar) to give fome attention to the original tenures by which fubjects were allowed to hold their property, as well as to the circumftances attending the new duties which were impofed upon them. This created an intermixture of Hindovee ufages, and of Mahomedan

* See Regulations for the Adminiftration of juftice in the Fouzdary, or Criminal Courts. Calcutta, 1791. Page 18, 21.

 jurif-

jurifdiction: many, too, of the Rajahs of an inferior order were allowed to retain the ufages in their different diftricts; of confequence their ancient practice remained in force, while they copied feveral of the forms of the Mahomedan law courts, particularly for the purpofes of police, and for levying the duties which they paid as quit-rents.

—From the obfcurity in which the principles of the law courts have been involved.

In the next place, after the fall of the empire, the diftinction between the Duan's courts and the Nabob's, was by no means preferved. The neceffities of the new fovereign (to fay nothing of the rapacity of a low adventurer exercifing power) led to great irregularity in jurifdiction of every kind; fo that when Great-Britain came to be in poffeffion of the provinces, it found the law courts of the natives highly corrupted, and the principles to which they appealed fo involved in commentaries, as to be fcarcely intelligible, particularly to foreigners. Of this we have a ftriking proof in the reports lately made refpecting the ftate of law courts in Bengal, where it has taken not lefs than thirty years to decide on the queftion, whether, in trials for murder, the doctrine of Yuzef and Mohummud, who made the intention the criterion of guilt, or whether the doctrine of Aboo Huneefah, who made the manner or inftruments with which the crime was committed, the rule for determining the punifhment, was the doctrine in the futwah or law?

In the third place, there exifted an original defect in the inftitution of law courts in Hindooftan, which, in itfelf, muft

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—From the courts of civil and criminal jurisdiction, being incorporated with those of revenue and of police.

have rendered them unequal to the purposes for which they were intended, and open to great corruption, viz. That the civil and criminal laws were intermixed, and that the revenue laws and usages for police were blended with both, and with each other. Wherever this has taken place the rights of property are undefined, crimes may escape punishment, and breaches of the peace may become frequent. It is owing to the defined limits between the civil and the criminal laws of England, that they so nearly approach to the perfection of the law of Nature; and it is owing to the revenue laws being distinct from both, and the police subordinate to the whole, that the liberties and safety of the subject are so exactly ascertained and generally understood.

—From the attempts to engraft the English jurisprudence on that of Hindoostan.

In the last place, the experiments which have been made to engraft the laws and practice in England upon the jurisdictions in India have proved to us, that the most laudable efforts which we have been able to make still have not answered the beneficial ends they were intended to produce, though the Supreme Court of Judicature has been found adequate to all the purposes of protecting British subjects, or those of the inhabitants who are included in that description: hence the shiftings from fouzdary courts, in different districts, under collectors who were Company's covenanted servants, and the establishment of the Nizamut Adawlut at Moorshedabad, under the controul of the Chief and Council of that city: hence the removal of it

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it to Calcutta, under the charge of a Darogah, ſubject to the controul of the Preſident and Council: hence its being again eſtabliſhed at Moorſhedabad, under the ſuperintendence of the Naib Nazim, by whom Fouzdars were appointed in the ſeveral diſtricts; and hence the adminiſtration of it being again brought under the controul of the Governor-general, and the eſtabliſhment of collectors as magiſtrates within their reſpective diſtricts: hence the recent regulations which have fixed the Nizamut Adawlut at Calcutta, under the Governor-general and Council, &c. and hence the inſtitution of judges of circuit and magiſtrates of diſtricts. All thus has been experiment, not yet ſufficiently full to allow of any other opinion, but that we muſt go on gradually to improve on the courts of juſtice known in that country, till time and habits ſhall give them ſuch degree of perfection, as the prejudices and manners of the people will admit. Though the attempt to do more might be perfectly agreeable to the liberality of the Britiſh nation, it would only tend to diminiſh, inſtead of foſtering the allegiance and attachments of the natives, looking up for our protection.

Meaſures calculated to remove theſe defects.

Two obvious meaſures ſeem to preſent themſelves in forming plans for improving the judicial power in our Aſiatic provinces; firſt, that the Engliſh law ſhould be continued as the rule of conduct for Britiſh ſubjects, or for thoſe who have been included in that deſcription; next, that the diſtinct objects of law, viz. property, life, reve-

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nue, and the preſervation of the public peace or police ſhould direct in an arrangement of the native law courts. The abuſes in the law courts of the country might thus gradually be done away, viz. the intermixture of civil and criminal caſes, with caſes reſpecting revenue, and the preſervation of police. In police the magiſtrate has to prevent or detect irregularities or crimes, the judges of the preceding deſcriptions try and puniſh them.

General method of applying them.

SUPPOSING theſe meaſures admitted, we may, on the baſis of them, ſuggeſt ſome general propoſitions, calculated to eſtabliſh, firſt, the judicial power, as it is intended to protect the ſubjects of Great Britain in India, and ſuch of the inhabitants as have been brought under that deſcription; and next, propoſitions which it may be expedient to adopt for preſerving to the natives the gradations and forms of their own law courts, in the manner they have been new modelling by the humane and equitable juriſprudence of Great Britain. In bringing forward both of theſe kinds of propoſitions, we muſt keep in view the diſtinct objects of law courts, viz. *property*, *life*, and *revenue*; and conclude, by treating of *police*, as diſtinguiſhed in its nature from law, though the only means of rendering law courts uſeful and reſpected, and the government which eſtabliſhes them, the ſource of protection to the natives of India.

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Propofitions refpecting the authority of the judicial power.

Upon thefe principles of arrangement, the following propofitions are fubmitted on the fubject of the law courts intended to protect the property and lives of the inhabitants of our Indian provinces; that is, of thofe who have been comprehended in the general defcription of Britifh fubjects.

Supreme Court of Judicature to be continued, but the limits of its civil, criminal, and revenue jurifdiction, to be diftinctly afcertained.

First. It is propofed, to continue the Supreme Court of Judicature; but, by degrees, more clearly to define the limits of its proceedings, when acting in its civil and criminal capacities; and when acting in aid of the Governors and Councils judging of matters of revenue. That, as at prefent, all Britifh fubjects, whether Armenians or French, (the fubjects of France, by the treaty concluded at Verfailles in 1787, were included in that defcription) fhould be under its protection.

Subordinate courts, with the power of appeal to remain.

Second. It is propofed to continue the fubordinate courts of juftice, which, at prefent, exift in the Britifh fettlements, for trying leffer cafes by the Englifh law; and that, from thefe courts, appeals may be made to the fupreme court, in matters of property, as in England; but not in cafes where parties have been found guilty of petty larcenies, in the manner to be hereafter fpecified.

Courts of Admiralty to be vefted with more enlarged powers.

Third. It is propofed, that the Supreme Court of Judicature, fhould be more fully vefted with the powers of acting as a Court of Admiralty; or the Governor-general, of appointing Admiralty Courts, upon the fame principles with

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thoſe in England, and in the manner to be hereafter pointed out.

The natural ſituation of the Britiſh provinces preſents us with an extent of ſea coaſt, as well as of navigable rivers, and the commerce with theſe provinces, whether European or internal, requires a Court of Admiraty: it might be proper therefore to eſtabliſh one to take cognizance of all caſes at each of the Preſidencies. The objects of theſe courts ought to be defined, viz. to judge and try caſes of murder, piracy, felony, crimes, treſpaſſes, and miſdemeanors committed on the ſeas, within the Company's limits between the Streights of Magellan and the Cape of Good Hope: and alſo, to try all pleas of contracts, debts, exchanges of policies of inſurance, accounts, charter-party agreements, loading of ſhips, contracts relative to freights or ſhips hired, tranſport money, maritime uſury, or bottomry; and, in general, all treſpaſſes, injuries, complaints, demands, and matters, whether civil or maritime, between merchants, owners, or proprietors of ſhips employed within the Company's limits, or done on public rivers, in ports, or harbours, belonging to their territories; and, in general, to ſubject the parties to the ſame fines and puniſhments, as in England.

Conſtitution and ſtation of the Supreme Court of Judicature.

Fourth. It is propoſed, that the Supreme Court of Judicature ſhould be ſtationary at Calcutta; and that it ſhould conſiſt of a Chief Judge and four puiſne Judges; the whole to be in the appointment of His Majeſty, with

 adequate

adequate ſalaries; to take an oath, &c. as ſpecified in the Act of the thirteenth of the King and ſubſequent Acts, eſtabliſhing their juriſdiction; and to be liable, upon charges exhibited before the Governor and Council of their having acted with partiality or corruption, to be ſent home for trial, before the Committee of Parliament inſtituted for the trial of Indian delinquents.

Procedure in the Supreme Court of Judicature, acting in its civil and criminal capacities.

FIFTH. It may be expedient, that the line of proceedings in the Supreme Court, acting either in its civil or criminal capacity, be declared to be as in England, when the parties are Britiſh ſubjects; but to vary, when one of the parties is a native, or when both parties are natives and appeal to it. In the former caſe, the laws of England ought to be the rule of judgment, but the court to be obliged to call in a certain number of the judges of the native courts, to interpret the procedure to the natives, with the reaſons of the deciſion. In the latter caſe, after the trial has proceeded upon the ſame forms, it may be left with them to accept or not, of the protection of the Britiſh laws; if one or both of the parties ſhould decline this protection, then the court ought to be veſted with the power of pledging itſelf publicly, that, in ſo far as the caſe will admit, the parties, as they have appealed to the general juſtice of the Supreme Court, ſhould have a deciſion agreeable to their own laws, as interpreted by their own judges, who ſhall be preſent to declare what their deciſion would have been; but that it ſhould be pronounced by the court itſelf, to impreſs

parties

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parties of this defcription with proper ideas of the authority as well as of the purity of the Court.

In the fupreme court there fhould be, as at prefent, an Advocate-general of the Company, whofe province it is to act for the Company's interefts, whether the court is fitting as a civil or criminal court, or affifting as a court of revenue, or judging in cafes that come under the general defcription of treafon or of mifdemeanor, in which the Public may be interefted. It ought, however, to be underftood, that this officer fhould have no power to inftitute a fuit, unlefs he fhould previoufly have received a warrant for this effect, under the hand and feal of the Governor-general, or, in his abfence, of the fenior member of council, acting as Governor-general; and that the application for fuch warrants, with the reafons for granting them, be always recorded as part of the public tranfactions.

Parties who may feek judgment in the fupreme court.

Sixth. It is propofed, that, as at prefent, all cafes between Britifh fubjects, or others who have been admitted under that defcription, or of natives appealing, in the firft inftance to the protection of the Britifh laws, fhould be triable only in the fupreme court. It being however underftood, that if the natives, being parties, fhould have firft appealed to the courts in which their own laws are confidered in whole, or in part, to be the rule of judgment, then they muft abide by the decifions of thofe native courts.

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Eftablifhment of a court of requefts.

SEVENTH. It is propofed, to eftablifh with more extenfive jurifdiction, than it at prefent feems to poffefs, a Court of Requefts; that is, a court for trying leffer cafes of a civil kind, and with the power to act for the relief of infolvent debtors. As a court of requefts, it may retain its prefent conftitution; but, as it frequently happens, that debtors, for petty fums, have been confined to prifon for a long time, by the decree of this court; and as the nature of the climate renders fuch confinement almoft equivalent to a condemnation to death, it might be proper that the fupreme court fhould, annually, in the month of January, require an alphabetical lift of the prifoners for debt, from the preceding July, with the names of the profecutors who have detained them in prifon; that the gaoler of the different prifons fhould take an oath, that the lifts of the prifoners are correct; that the debtors fhould have the privilege of making application to the court for being delivered from prifon, and, in their petition to this effect, fpecify their readinefs to make oath, as to the amount of their real, or perfonal property in India, Great Britain, Ireland, or elfewhere; a fchedule of which fhould be delivered to the fupreme court, a certain number of days previous to the 7th of January, to be publifhed in the Gazette, or authorized paper at the feat of Government, that all the creditors of the prifoner may have due notice of the application, and may make objections, if any they have that are reafonable or lawful, againft the liberation of the faid debtor, and that thefe objections fhould

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three years after their discharge, ought to be made liable for the amount of the debt; it being, however, understood, that no persons, who may have any share in these estates, shall be liable to have their proportion affected by this demand. And as the distressing of such discharged debtors might have the effect of driving persons, exercising useful arts, out of the British provinces into the provinces of the native states, or factories of the European powers, it ought to be established, that no suit can be instituted against them, till after petition to the Supreme Court, and with proofs and reasons for presenting it, it shall appear that no fraud is intended. The court upon being satisfied on this point, may issue its warrant, authorizing the suit to be commenced.

Establishment of courts for the natives, subjects of Great Britain.

HAVING thus pointed out the establishment of the supreme court of justice, in so far as it is intended to act for the protection of British subjects, it will next be proper to detail the gradation of courts, where the law must be mixed, by taking principles from the Mahomedan institutions and forms, and improving on them (as much as the nature of the case will admit) by the intervention of the government of Great Britain and the application of its milder laws and practice.

Natives subjects of Great Britain defined.

ON this subject, it is to be understood, that the parties are natives and not such as can, in any respect, be comprehended within the preceding description of British sub-

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jects; and that all Europeans residing within the British provinces (the French subjects only who by the treaty 1787 are to be held as British subjects, excepted) should be considered as natives, and subject to the mixed jurisdiction of the courts of law, established by the joint authority of Great Britain and of the native Princes its allies and dependents.

The Mahomedan law subject to modifications by the Governor-general and Council, to be the rule of conduct in the native courts.

First. It is proposed, that the Mahomedan law shall, in general, be held to be the rule of conduct for all the authorized native courts; but subject to such modifications and improvements as the Governor-general and Council may, upon the application of the native judges and lawyers, think it expedient to adopt and authorize; such as the doctrine of Yuzef and Mohummud in all trials for murder; and the debarring the relations of the prosecutor from pardoning the offender. These improvements, however, must be introduced agreeably to the preceding plan of government, in the form of regulations, and be matters of approbation or disallowance in England.

The Nizamut Adawlut to be stationary at the Presidencies, with its constitution and powers.

Second. It is proposed, that the Nizamut Adawlut should be established at Calcutta; and, allowing for differences of circumstances, at the residencies of the Governors and Councils in the subordinate presidencies: that, at Calcutta, it should consist of the Governor-general and Members of the Supreme Council, assisted by the Cauzy ul Cozaat, or head Cauzy of the provinces, and two Mufties:

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that it ſhould be veſted with all the powers held by the Naib Nazim, or ſuperintendent of the Nizamut Adawlut; but that in the declaration of the law, as applicable to the circumſtances of the caſe, the Cauzy ul Cozaat, and the Mufties, ſhall pronounce agreeably to former practice: that the court do meet once in every week, or as often as the ſtate of buſineſs ſhall require; and that a regular diary be kept of all its proceedings: that the Cauzy ul Cozaat and the Mufties, (after the Governor-general and Council have taken the oaths) ſhould alſo take the moſt ſolemn oaths preſcribed by their religion, to adminiſter juſtice. As perjury is, in many caſes, an expiable crime by the Mahomedan inſtitutions, the oath ſhould be of that kind which is held to be inexpiable, and the forms in taking it ſhould be repeated every ſix months, publicly and in open court, that the impreſſions from the obligation may not only be made the moſt ſtrong that is poſſible, upon the minds of theſe judges themſelves, but in the opinion of ſpectators. The oath, on entering on the office to be as follows: "I Cauzy (or Mufty) of the court of circuit for the diviſion of ſolemnly ſwear, that I will truly and faithfully perform the duties of Cauzy (or Mufty) of this court, according to the beſt of my knowledge and ability; and that I will not receive, directly or indirectly, any preſent or nuzzer, either in money or in effects of any kind, from any party in any ſuit or proſecution, or from any perſon whomſoever, on account of any ſuit or proſecution, to be inſtituted, or which may be depending, or has been

 decided

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decided in the court of circuit of which I am Cauzy (or Mufty) nor will I directly or indirectly derive any profit from my office, except ſuch as the orders of Government do or may authorize me to receive." The oath at the expiration of every ſix months to be as follows: "I Cauzy (or Mufty) of the court of circuit for the diviſion of ſolemnly ſwear, that from the to the I have truly and faithfully executed the duties of Cauzy (or Mufty) of this court, according to the beſt of my knowledge and ability; and that I have not received, directly or indirectly, any preſent or nuzzer, either in money or in effects of any kind, from any party in any ſuit or proſecution, or from any perſon whomſoever, on account of any ſuit or proſecution, which has been, or is to be inſtituted, or is depending, or has been decided in the court of circuit of which I am Cauzy (or Mufty) nor have I directly or indirectly derived any profit from my office, except ſuch as the orders of Government have authorized me to receive."

To have a Regiſter, or aſſiſtant officer of court.

In order to conduct the buſineſs of the court with effect, it may be neceſſary to appoint a Regiſter, with the official appellation of Regiſter to the court of Nizamut Adawlut; and that he take ſimilar oaths of fidelity, and of integrity in the diſcharge of his duties with the Cauzy ul Cozaat and the two Mufties. It will be expedient alſo to enact, that the Cauzy ul Cozaat and the Mufties, be required to meet at the office of the Regiſter three times in every week,

or

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or oftener, if the ſtate of buſineſs ſhall require it; and that the Regiſter ſubmit to them the Perſian copy of the proceedings, in all trials, which may come by appeal, from the inferior courts, to be immediately ſpecified; that, after conſidering the ſame, they ſhould give in writing, at the office of the Regiſter, their opinion, whether the futwah or ſentence of the law which has been appealed from, is conſiſtent with the evidence, and conformable to the Mahomedan law, as modified and improved on, in the manner pointed out in the preceding propoſition.

Duties of the Regiſter.

AFTER this progreſs has been gone through, it ſhould be the duty of the Regiſter to lay the reſult before the Nizamut Adawlut at their next meeting, that it may pronounce, or paſs a final decree upon the caſe; the Regiſter is then, within three days after paſſing ſuch degree, or ſentence, (or earlier, if the ſtate of buſineſs will allow) to tranſmit a copy, atteſted with his official ſignature, and under the ſeal of the Nizamut Adawlut, to the judges of the court of circuit, who are forthwith to iſſue a warrant to the magiſtrate of the diſtrict, from which the caſe has come, to ſee that the ſentence be carried into execution. The magiſtrate is to be bound to return the warrant to the court of circuit, with an endorſement, atteſted by his official ſeal and ſignature, verifying the manner in which the ſentence has been executed, and the judges of circuit are to forward this endorſement, with the warrant, to the Nizamut Adawlut.

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It muſt frequently however happen, in the diſtribution of juſtice within the limits immediately under the juriſdiction of the Nizamut Adawlut, that caſes may be brought before it in the firſt inſtance. In this event, the Cauzy-ul Cozaat and the Mufties, aſſiſted by the Regiſter, ought to be empowered to take the evidence, in preſence of one of the European members of the Nizamut Adawlut, then to declare, under their ſignatures and ſeals, what the law is, as applicable to the caſe, and to report the ſame to the court, at their firſt meeting, for its deciſion.

Juriſdiction of the Nizamut Adawlut, as a civil court.

Third. It is propoſed, to explain more fully the capacities, in which the Nizamut Adawlut may act, as a civil and as a criminal court. When acting as a civil court, and judging in matters of property (the ſole ſubject for the judgment of ſuch a court) the Mahomedan law under the preceding reſtrictions, and pronounced on in the preceding manner, ſhould be the rule of conduct. It being, at the ſame time, underſtood, that the application of this law muſt vary, if one of the parties ſhould be a native, and another included in the preceding deſcription of Britiſh ſubjects. In a caſe of this laſt kind, it will become neceſſary to advert to the manner, in which the property litigated is claimed, by what we term the plaintiff; and detained, by what we term the defendant. If it is land, or hereditaments which have been conveyed by the tenures underſtood in the Mahomedan law, then, that law muſt be held

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as the rule of judgment. The ſame principle will apply to obligations or bonds. If a Britiſh ſubject has acquired his property by the eſtabliſhed law of the country, then he can only reſt his complaint or his defence upon that law. If, on the other hand, he has acquired it according to the forms preſcribed by the law of England, the caſe will naturally be referred to the ſupreme court of judicature for its deciſion.

Juriſdiction of the Nizamut Adawlut, when acting as a criminal court.

WHEN the Nizamut Adawlut acts as a criminal court, if the party accuſed ſhall be a native (agreeably to the deſcription given of the inhabitants, to be included under that term) then the Mahomedan law, with the regulations which have been pointed out, ſhould become the rule of trial and of judgment. It is however, to be underſtood, that though the Cauzy-ul-Cozaat and Mufties are to give their opinions on the law and on the evidence, yet that the deciſion or ſentence ſhould be pronounced by the preſident of the court, to impreſs not only the parties, but the native judges who have directed the forms of the trial and interpreted the law, with ideas of the authority, as well as purity of the Britiſh Government. In this caſe too it might be proper to enact, that the Regiſter of the court repeat the deciſion or ſentence, explain it to the parties, and, (though all ideas of torture or cruelty which formerly prevailed in the country ſhould be exploded) yet that the execution of the criminal ſhould always be in conformity to the cuſtoms of the Mahomedans, if he be a Mahomedan; and according to the

 cuſtoms

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customs of the Hindoos, if he be of their religion. It has frequently happened, from not giving due weight to this circumstance, that the spectators, instead of having the proper impression made upon them, on seeing a criminal punished, have, on the contrary, been so offended at the manner in which he was put to death, that, forgetting his crime, and the defence of their rights by the sanctions of the law, they have felt their religious prejudices insulted, and themselves disgraced.

Jurisdiction and constitution of the Duan's court, or court of revenue;—

FOURTH. It is proposed to separate, as much as the nature of our acquisitions will allow, the jurisdiction required in matters of revenue, from that which has been pointed out as proper in civil and in criminal cases. It was, perhaps, one of the greatest defects in the Mogul government (though it was one inseparable from the nature of their conquest) that they not only blended the regulations by which they levied duties with their civil and criminal laws, but that they gave to the collectors of the revenue, in many instances, the power of acting as civil and criminal magistrates: the consequences have been, that from the Duan, down to the Zemindar and Chowdrie, opportunities for oppression were frequent.

—Under the East-India Company when they first obtained the Duannee.

WHEN the East-India Company were vested with the office of Duan, that is, with the office of apportioning and levying the duties, whether rents of lands or imposts on trade, they found it impossible, from being

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ſtrangers to the cuſtoms of the country, to act in any other way than by Deputies or Naib Duans. The conſequences were, that theſe Deputies, preſuming upon the ignorance of their new maſters, introduced a ſeries of oppreſſions, and not only themſelves practiſed them, but allowed their loweſt ſubordinate officers to do the ſame. As there was no means of redreſs, the Naib Duan himſelf being the judge before whom the complaint was competent, he had it in his power to oppreſs the natives, who therefore ſought in evading payment of revenue a more probable advantage than they could expect to derive from an appeal to the law. It may eaſily be ſuppoſed, that the Naib Duan and his officers would find out effectual means, in preſents and bribes, of preventing the Company's ſervants from making complaints to the Governor and Council, who now were the real Duans; and that when the complaints of the natives at laſt reached them, the blame would be thrown from the Company's ſervants upon the Naib Duan and his officers, who either were to be removed from their ſtations, or to be continued in them, becauſe they could give more valuable preſents or larger bribes.

Remedies ſuggeſted for improving it.

It may therefore be expedient in all matters of revenue, that the Governor-general and Council, aſſiſted by a certain number of native judges and officers, ſhould act as a ſupreme court of revenue; that the ancient revenue laws, corrected and regulated (in the manner which has already been pointed out for the improvement of the civil and criminal laws) ſhould be formed into a ſyſ-

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tem, and held to be the rule of judgment in the Court; that it ſhould be competent for this court either to judge immediately of caſes of revenue within the limits of the ſeat of government, or of appeals from the Reſidencies of the different collectors. This arrangement would have the moſt manifeſt advantages: it would prevent the Naib Duan, or his ſubſtitutes, from oppreſſing the people; it would prevent the Company's ſervants from corrupting or being corrupted by the native collectors who act under them; and it would obviate the otherwiſe almoſt inſurmountable objection againſt the Company's ſervants officiating as judges of diſtricts, or magiſtrates of police, at the ſame time that they were collectors of revenue. It ſeems, indeed, to be hardly poſſible, by any other means, to root out the inherent evil in the Mogul ſyſtem of government (and no other plan ſeems to be practicable by us), of making the collector of revenue a judge either of life or of property. Though this arrangement refers to the Bengal provinces, it may be introduced into our poſſeſſions on the Coromandel coaſt, and, more eaſily ſtill, into the Northern Circars.

Conſtitution and juriſdiction of the courts of circuit,

FIFTH. It is propoſed to eſtabliſh courts of circuit upon the ſame principles with the ſupreme court, viz. courts which ſhall act in the diſtinct capacities of civil and criminal: that for the Bengal provinces, the circuits ſhould be four, three for the province of Bengal, and one for the province of Bahar. The Bengal diviſions to be denominated the courts of circuit for the diviſions of Calcutta, Moor-

Moorſhedabad and Dacca: that for the province of Bahar, the court of circuit for the diviſion of Patna.

Limits of their juriſdiction.

THE Calcutta diviſion might comprehend the diſtricts under the collectors of Nuddea, Berbhoom, Ramghur (thoſe in Bahar excepted), Burdwan, Midnapore, the Salt Diſtricts, the Twenty-four Pergunnahs, Jeſſore, and the diſtricts under the collector of the town of Calcutta, not within the juriſdiction of the ſupreme court of judicature.

THE Moorſhedabad diviſion might comprehend the city of Moorſhedabad, and the diſtricts under the collectors of Moorſhedabad, Boglepore, Rajeſhahee, Purneah, Dinagepore, Rungpore, and the Commiſſioner at Cooch-Bahar, excluſive of the independent territories of the Rajah of Cooch-Bahar.

THE Dacca diviſion might comprehend the city of Dacca and the diſtricts under the collectors of Sylhet, Dacca, Jelalpore, Mymenſing, Tiperah, and Chittagong.

THE Patna diviſion might comprehend the city of Patna, and the diſtricts under the collectors of Bahar, Shahabad, Sarum and Firhoot, and the diſtricts in Bahar under the collector of Ramgur.

IT might be proper, for the more effectual diſtribution of juſtice, and to impreſs the natives more ſtrongly with the

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The puifne judges, or deputies to be appointed in their place, to prefide in the courts of circuit.

importance of thefe courts of circuit, that one of the puifne judges of the fupreme court conducted and prefided in them, together with two covenanted civil fervants of the Company, who had at leaft attained the rank of junior merchants, affifted by a Cauzy and a Mufti. If the judge fhould not, from his duties at the Prefidency, be at all times able to make the circuit, that the fenior covenanted fervant of the Company fo appointed fhould act as his deputy; but that one of the judges fhould always be named for this duty, and the reafon of his not difcharging it be given to, and admitted by the fupreme court of judicature. The nomination of the covenanted fervants of the Company, who are to act as judges of circuit, to be in the Governor-general in Council, and a proper annual allowance for this duty to be given them.

Both to take the oath of office and for the faithful difcharge of their duty;

THE judge of circuit or the deputies ought to be required to take the following oath upon his or their appointment: "I   folemnly fwear, that I will truly and "faithfully execute the duties of fenior (or junior) judge "of the court of circuit for the divifion of "that I will adminifter juftice to the beft of my ability, "knowledge and judgment, without fear, favour, pro-"mife, or hope of reward; and that I will not receive, "directly or indirectly, any prefent or nuzzer, either in "money, or in effects of any kind, from any party in any "fuit or profecution, or from any perfon whomfoever, on

"account

" account of any ſuit or proſecution to be inſtituted, or " which may be depending or have been decided in the " court of circuit under my juriſdiction; nor will I, know- " ingly, permit any perſon or perſons under my authority, " or in my immediate ſervice, to receive, directly or indi- " rectly, any preſent or nuzzer, either in money or in " effects of any kind from any party in any ſuit or proſe- " cution, or from any perſon whomſoever, on account of " any ſuit or proſecution to be inſtituted, or which may be " depending or have been decided in the court of circuit " under my juriſdiction; nor will I, directly or indirectly, " derive any profits from my ſtation, except ſuch as the " orders of Government do or may authorize me to receive. " So help me God."

To be liable to penalties for breach of it.

In the event of a breach of this oath, the judges of circuit ought to be liable to the ſame penalties, after trial and ſentence by the ſupreme court, that the judges of the ſupreme court are, upon their being tried and found guilty in England, by the committee of Parliament appointed for the trial of Indian delinquents.

Courts of circuit ought to have a Regiſter,

In the courts of circuit there ought to be a Regiſter or an officer, to have the ſame duties aſſigned him, and to take the ſame oaths as have been enjoined for the Regiſter of the Nizamut Adawlut.

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—with Cauzies and Mufties.

It may be neceſſary alſo, that the Cauzies and Mufties, acting in theſe courts of circuit, ſhould take the ſame ſolemn oath that has already been deſcribed to be proper for the Cauzies and Mufties officiating in the Nizamut Adawlut; and that they ſhould be renewed, as in that caſe, every ſix months.

Periods of the circuits.

It may be proper that theſe circuits ſhould be made every ſix months, viz. that they commence on the 1ſt of March and 1ſt of October in each year; and that they ſhould proceed to the places of reſidence of the magiſtrates of the ſeveral diſtricts within their juriſdiction; and remain, at each ſtation, until all perſons committed, or held to bail for trial by the magiſtrate of that ſtation, ſhall have been tried and judgment given; that is, till there ſhall have been a complete gaol delivery.

Procedure in civil caſes;

In all caſes of a civil nature, or in ſuits for property, not exceeding the value of 1000 rupees, the deciſion ſhould be final. In caſes of property above that value, appeals ſhould be open to the Nizamut Adawlut.

—in criminal caſes.

In caſes of a criminal nature, not amounting to felony, the ſentence of the court of circuit ſhould be final, but when amounting to felony, the caſe ought to be carried by reference, to the Governor-general in Council, with powers to him to pardon or to order execution.

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In these appeals or references, and in the decisions on them, it ought always to be understood, that the decree should make a part of the quarterly reports which are to be sent to the Directors and the executive government in Britain.

To report their proceedings.

When the Governor-general and Council, vested with these powers, confirm the sentence and return it to the magistrate of the district, for execution, then the same respect should be paid to the religion of the criminal as has already been pointed out; and, indeed, in the provinces, this will be more particularly necessary, in order to ensure the object for which the punishment is to be inflicted.

Executions to be conformable to the religion and usages of the people.

In order to keep up the distinction between the objects of civil and criminal courts, the Company's covenanted servants acting as inferior judges may be empowered, in the distinct capacity of revenue judges, after the conclusion of the other business of the court of circuit, to hear and decide on all matters of revenue which come by appeal from the magistrates courts in the different districts to be immediately described. In these provincial courts, two or more of the native officers of revenue ought to be annually appointed by the Governor-general, to act as assessors directing and conducting the suit. The decisions of this court ought to be ultimate, in all matters not exceeding 500 rupees; but, in cases above that value, the party should have the power of appealing to the Duan's court.

Constitution of the provincial courts of revenue.

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The fame principles of law to direct the proceedings of thefe courts, as thofe which form the rule of judgment in the Nizamut Adawlut.

It may be proper, that the fame rule of law, and the fame practice in the application of it be obferved in the courts of circuit, as already fpecified, to be required in the Nizamut Adawlut; and it may be expedient, that the judges of circuit be enjoined to report, at the conclufion of each term, to the Nizamut Adawlut, the inftances in which the Cauzies or Mufties have been guilty of mifconduct in the difcharge of their duty; that, as judges of circuit alfo, they fhould vifit the gaols at each ftation, direct the magiftrates to give proper treatment and accommodation to prifoners, and report to the Nizamut Adawlut every inftance in which it may appear to them that the magiftrates have been guilty either of neglect or mifconduct. A part of the report ought alfo to confift of fuch propofitions as thefe judges of circuit may think calculated for the better diftribution of juftice. If they fhall differ in opinion, upon any one fubject, then the fenior judge ought to have the cafting vote; and if, from ficknefs or other accidents, one or more of thefe judges fhould not be able to make the circuit, in fuch cafe the duty fhould devolve upon the remaining one.

Conftitution and jurifdiction of the inferior courts of magiftrates.

It is propofed, in the laft place, to eftablifh inferior courts of magiftrates in the diftricts into which the collections of the revenue are divided. It is hardly poffible to fix upon any other rule of marking out the limits of fuch inferior jurifdictions, than the limits of the collectorfhips,

lectorſhips, except in thoſe places which have already been ſpecified as the ſeats of the courts of circuit, viz. Moorſhedabad, Patna, Dacca and Calcutta. SECT. II.

Principles and forms upon which theſe courts, in their different capacities, are to proceed.

THE ſame rule of law which is obſerved in the Nizamut Adawlut, and in the courts of circuit, ought neceſſarily to become the rule of conduct in theſe inferior or provincial courts. It is more difficult, however, to chalk out a conſtitution for theſe petty courts, than it was for either of the ſuperior courts. It may be laid down as a fixed principle, that theſe inferior courts ſhould act in the ſeparate capacities of civil and criminal, and as a branch of the Duan's court, or a court of revenue, and it may be underſtood, that in all caſes where appeals are competent, from the courts of magiſtracy acting in the two former of theſe capacities, to the courts of circuit, or acting in the laſt of theſe capacities to the Duan's court, that the ſame procedure and forms ſhould be obſerved, as in the ſupreme courts; that is to ſay, the rules and forms in civil and criminal caſes, as in the Nizamut Adawlut, and the rules in caſes of revenue, as in the Duan's court.

The collectors to be the judges in the courts of magiſtracy, under certain reſtrictions.

A DIFFICULTY here occurs as to the perſons who may be competent to become magiſtrates: From the mixed character of the inhabitants, from the mixed nature of the ſovereignty, and from the real power being in the ſervants of the Company, it may be impracticable to find any but their

 ſervants,

CHAP. I. ſervants, who can be veſted with the office of inferior magiſtrates. All, therefore, that can be done, in order to make the plan of juriſdiction in the courts of magiſtrates, as much in uniſon with that in the ſuperior courts, as the nature of the caſe will admit, is to enact, that every Company's ſervant, who ſhall attain the office of a collector, muſt have been of a certain ſtanding in the ſervice, viz. have acquired the rank of a factor or junior merchant, and it may be made a qualification of office, that he ſhould have attained a competent knowledge of the regulations, which have already been pointed out to be the proper rule of conduct in the courts of circuit, and in the Duan's court. It is not indeed to be ſuppoſed, unleſs a collector ſhall have attained to ſuch competent knowledge, that he would chuſe to come under the obligation to which his taking the neceſſary oath would ſubject him. The form of the oath is as follows: "I A. B. collector and judge of and entruſted as magiſtrate with "fouzdary juriſdiction, do ſolemnly promiſe and ſwear, "that I will exert my beſt abilities for the preſervation "of the peace of the diſtricts, over which my authority "extends, and will act with impartiality and integrity, "neither exacting or receiving, directly or indirectly, "any fee or reward in the execution of the duties of "my office, other than ſuch as the orders of Government do, or may, authorize me to receive. So help me "God."

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Magiſtrates to have a deputy.

Though it is propoſed, that the collector ſhould himſelf act as judge or magiſtrate, it will be neceſſary for the uninterrupted diſtribution of juſtice, that the ſenior civil ſervant of the Company, acting under the collector, ſhould be his deputy, and that both ſhould be veſted with powers, ſomewhat analogous to thoſe of a juſtice of peace and ſheriff in England; that a ſimilarity in conſtitution to the ſuperior courts may be preſerved, it will be expedient that a Canongoe and a Pundit be appointed, with ſimilar powers and duties with thoſe enjoined them in the ſuperior courts, and under the like correſponding oath, agreeably to their religion, with thoſe which have already been marked out for the Cauzies and the Mufties. As the duties of the magiſtrate will require inferior officers to enable him to diſcharge them with effect, the rule of conduct for theſe officers will be the regulations ſpecified for the adminiſtration of juſtice in the fouzdary, or criminal courts."*

Extent of the juriſdiction and duties of magiſtrates.

The duties of a collector or magiſtrate ſeem to be as follows: In his civil capacity he is to judge of all matters of property under one hundred rupees, without appeal; and if required he is to report the appeal with the reaſons of it, to the court of circuit, ſhould the property be above that value. In his criminal capacity, he is to iſſue warrants for apprehending murderers, robbers, thieves,

* See Regulations page 11—19. Calcutta 1791.

CHAP. I. houfebreakers, and other difturbers of the peace; when a complaint is preferred to him againft a perfon for any of thefe crimes, he is to oblige the party complaining to make oath as to the fact, before he iffue his warrant; when the prifoner is brought before him, he is to examine the circumftances of the cafe, without oath; if it fhould then appear to him, that the complaint has been groundlefs, he is to order the immediate enlargement of the prifoner; if it appear to him on the contrary, that, from circumftances, the crime charged has been committed, then he is to commit the accufed to prifon; and if it be a petty larceny, not cognizable by the court of circuit, he is to bring on the trial at the next regular meeting of his court; after hearing the accufation, he is to direct the Canongoe or Pundit to adminifter the oaths to the witneffes, according to the forms of their religion, and then decide agreeably to the regulations which have already been fpecified; if the offence with which the prifoner is charged fhould be abufive language, calumny, petty affaults, or affrays, he may decide from the circumftances of the cafe; and, in his capacity of a juftice of the peace, order a coporal punifhment, not exceeding fifteen rattans, or imprifonment not exceeding the term of fifteen days. In all cafes of this defcription, regard ought to be had to the religious prejudices of the people.

Every magiftrate, upon receiving information from the judges of the courts of circuit of their intended arrival at his ftation, fhould give public notice of the fame in

in all the diſtricts under his charge, by a written publication, a copy of which ſhould be forwarded to the Cauzie or Canongoe of each Pergunnah, with orders to have it affixed in ſome public place, in two of the principal towns or villages in his diſtrict; and he ſhould require all perſons diſcharged upon bail, and all proſecutors and witneſſes to appear, and to attend at the date fixed for the arrival of the court of circuit, under pain of forfeiture of their recognizances. The provincial magiſtrate ought alſo to be in readineſs to deliver to the judges of circuit, upon their arrival at the place of his reſidence, a liſt of all the perſons committed to priſon, or held to bail for trial, with copies of the charges preferred againſt them, the depoſitions of the witneſſes, the proceedings previous to the commitment of the priſoners, or holding them to bail, and an account of the execution of the ſentences which have been recommitted to him by the court of circuit. It might be proper alſo, that this laſt part of the report ſhould ſpecify, that ſuch executions have been done, with a due regard to the religious prejudices both of the criminal and of the ſpectators. In order to render the information of the court of circuit as full as poſſible, it may be proper that he ſhould make a report of the caſes, in which, from want of evidence, he has been obliged to diſcharge priſoners.

It muſt frequently happen both from the characters of the lower orders of the people and from the animoſity ſo prevalent in India among the natives, from difference of religion

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religion and uſages, that complaints of a groundleſs and vexatious nature may be brought before a migiſtrate. It is therefore neceſſary, that he ſhould be veſted with power to puniſh the perſons who may bring forward a falſe accuſation, by a fine or impriſonment, or by corporal puniſhment, proportioned to that which the accuſed would have ſuffered, if he had been found guilty of the offence with which he had been charged.

COMPLAINTS before the courts of magiſtrates muſt frequently be made by natives, againſt Britiſh ſubjects. If, from the circumſtance of the caſe and from evidence, the magiſtrate ſhould find them to be founded, he ought to be empowered, by his warrant, to ſend the perſon or perſons to the Preſidency, for trial before the Supreme Court of Judicature. But if the complaint ſhould be made by one native againſt another, and the breach of the peace be ſuch as to require a puniſhment greater than by the preceding reſtriction he may be authorized to inflict, he may then commit him for trial before the next circuit court.

Proceedings of magiſtrates to be matters of record.

IN regulating the proceedings of ſuch courts of magiſtracy, all trials (thoſe of a petty kind, which have already been ſpecified, excepted) ſhould be matters of record both in Perſian and Engliſh, and be forwarded monthly to the Regiſter of the Nizamut Adawlut, ſpecifying the name of the perſon, the date of his impriſonment, and the iſſue

4 whether

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whether the perſon has been ſent for trial to the court of circuit, or puniſhed by the authority of the magiſtrate himſelf. The form for this report may be taken from the regulations already referred to; or may be a report, ſpecifying a liſt of priſoners confined under ſentence; of perſons on whom ſentence has been paſſed by the court of circuit; of priſoners tried, and their cauſes referred to the Nizamut Adawlut in former months, and in the preceding month; of the ſentences of the Nizamut Adawlut carried into effect in the preceding month upon former references; and of priſoners under the magiſtrates charge, and who are left for trial. With this laſt it may be proper that the magiſtrate ſhould ſend a particular report of his having viſited the gaols, at leaſt once every month, and redreſſed all complaints of ill treatment which may be preferred to him by the priſoners againſt the gaoler, and other officers having the charge of them; with the ſtate of the gaols themſelves, in reſpect of cleanlineſs, ſeparate apartments for priſoners under ſentence of death, for perſons ſentenced to impriſonment by the court of circuit, for perſons committed to trial before this court, and for perſons under his own ſentence for petty offences; with a certificate from the ſurgeon of the ſtation upon the whole of theſe laſt ſubjects.

How magiſtrates are to proceed againſt Zemindars, &c.

It muſt frequently happen to theſe provincial magiſtrates, that complaints may be brought before them againſt Zemindars, Chowdries, &c. and the Subordinates allowed to act under them by the preceding plan of government.

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From the nature of their office of collectors, thefe provincial magiftrates muft neceffarily act as judges in matters of revenue. In this cafe, as little room fhould be left, as poffible, for oppreffion or injuftice; and it might be expedient to introduce a diftinction between the revenue cafes which cannot, and which can be appealed from by the parties. In cafes below 50 rupees, the decifion of the collector might be made final, but he ought to be obliged to make fpecific reports of fuch decifions to the Governor-general, acting as Duan. In matters above 50 rupees an appeal ought

to be competent to the Duan's court, with powers to it, upon confidering the reafons, either to decide immediately, or to order the party to bring on the trial.

Refult of the whole of this fyftem of judicial power.

SUCH feems to be the line of judicial procedure fuited to the Bengal provinces, and allowing for difference of circumftances, the fame plan may be extended to our fettlements on the Coromandel Coaft, or to our recently acquired dominions on the Malabar Coaft. Such a judicial power feems neceffary for the eftablifhment of the fovereignty of Britain in India, the natives are entitled to it by the moft folemn treaties; they underftand it, and have been habituated to hold it as perfect. Were we to take from their acknowledged chiefs all apparent judicial power, we, in fact, fhould diveft them of the moft ufeful branch of their remaining authority: whereas, by leaving to them the recommendation of the native judges, who are to officiate in the Nizamut Adawlut, or in courts of circuit, we continue their princes, in the eyes of the natives, as their natural protectors acting in concert with the Britifh Government, for the general fafety and happinefs of the inhabitants.

A police required for our Afiatic poffeffions.

THOUGH the preceding obfervations feem to comprehend the general regulations which the eftablifhment of the judicial power in India feems to require, both by keeping in view the precife objects of law, viz. property, life, and revenue; and though they have been accommodated to the practice of the

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ſeparate courts, which are to judge of caſes of each of theſe kinds, there ſtill remains a very intereſting ſubject; the introduction of a police, which ſhall be conformable to the characters of the Britiſh or native ſubjects; and yet ſhall quadrate with the plans of government and of juriſdiction, which have been delineated in the preceding ſketches.

It is a fact, in the hiſtory of juriſprudence, that degrees of the intermixture of law and of police, which takes place in the early periods of civilization, have among poliſhed nations been allowed to continue, after laws and law courts have reached their greateſt ſtate of perfection. It is obvious however, that unleſs the diſtinct objects of police and of law be marked out, the one may be a ſource of oppreſſion, and violence be poſſible to the other.

Separate objects and principles of police and of law.

The object of police is to detect and prevent the commiſſion of wrong: the object of law is to examine, by evidence, when a wrong or crime has been committed; and by puniſhing the offender, to impreſs the ſubjects of any country with ideas of the ſafety which they derive from the juſtice as well as the power of their ſovereign. Police then refers to the manners of a people; law, to their rights whether of life or of property. The principle of the one is juſtice; that of the other is propriety; or that rule by which good order and decorum are kept up in the intercourſe of civil ſociety.

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The officer of police to have the power of preventing or detecting wrongs or crimes, but not of trying or punishing them.

TAKING then the principle of propriety as the basis upon which every plan of police ought to rest, and particularly a plan for our Asiatic provinces, the first practical rule which we can draw from it is, that the officer of police in India should only have the power of watching over the conduct of the British or Indian subjects towards each other, so as to prevent anarchy or injustice, but not the title to judge of wrongs, or to punish them. If he should have the power of judging of wrongs, he immediately becomes the accuser, as well as the judge; and if his decisions should not be directed by any rule, but his own sense of propriety, that sense might, in some instances, neither be very vivid in itself, nor very pure in the practice to which it might lead.

The diversified ranks and privileges of the inhabitants, requires, that a police, under modifications, should be made efficient.

THE next practical rule is, that the police must extend over all the British settlements. This rule arises from the actual state of the inhabitants in the British provinces, and from the intercouse which the different classes of people must have one with another. The inhabitants consist of the Hindoos, or the aborigines of the country; of the Mahomedans who conquered it some centuries past; of the emigrants from the different eastern countries, who still constitute distinct orders or classes of men (such are the Armenians, Malays, &c. the descendants of the first European adventurers, particularly of the Portuguese, Dutch, &c. speaking a language of their own); of the servants, civil and military, of the East-India Company, exercising commercial and sovereign powers; of the free British inhabitants; of the servants of the other European companies in factories in the bosom of our settle-

ments,

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ments, and with a right to obferve the laws of their own countries in thefe factories; and, laftly, the motley group of deferters from the trading veffels of Europe and America, who come out under no protection and cannot be prefumed to be regulated by any other notions than thofe of felf-intereft and of efcaping with booty.

It muft occur from the very lift of the names of fuch different claffes of mankind, oppofite to each other in their original prejudices of religion and of manners, oppofite in the powers which they poffefs, and in the interefts which they purfue; and oppofite, confequently, in the fenfe of character which they may be induced to affume, that irregularities and the defire of doing injuftice to each other muft be frequent, if not general. In vain then will the Britifh legiflature enact laws, and eftablifh law courts, with the objects of promoting the fafety and happinefs of our Afiatic fubjects, if it does not at the fame time introduce fome plan of police, which might render an appeal to law courts lefs frequent, and for that very reafon more effectual and refpected by the inhabitants.

Progrefs of police in Hindooftan among the Hindoos;

The laft rule which we have to obferve on this fubject is, that we muft accommodate police to the cuftoms of the natives. This rule arifes from the hiftory of police in Hindooftan, both before we acquired our territories, and fince we have made fome efforts to improve upon the ufages of the people. Under the Hindoo government it appears, that the Zemindar was an officer of police, but that it was only when

he exercised jurisdiction as a part of the zemindary cutcherry, that he acted as a magistrate inflicting punishment ;* the meaning of which seems to be, that he had the power of preventing affrays, of compelling the inhabitants within his district to conform to the established customs; and, in cases of disobedience, of bringing them before him, or of carrying them before a higher law court, to be tried and punished as violators of the peace.

—Under the Mogul government;

UNDER the Mahomedan government, it appears, that the Darogah had power to imprison, when he acted in his capacity of a police officer, but not to punish. Aurungzebe directed that the Darogah might make peace between the parties; but, if he could not succeed, that he should make a soorut hall, and carry the case before the Fouzdar, the Nazim, or the Emperor himself.†

—Under the East-India Company.

WHEN the East-India Company established themselves as participating in the sovereignty of the Bengal provinces, one of the first circumstances which required the attention of the Presidency of Fort William was, the necessity of establishing some rule or ordinance for the better management of the police in the town of Calcutta, and in the districts included within its limits. From the encrease of the Company's trade in this capital, as well as from the protection which the English Government afforded it, the

* Lord Cornwallis's Letter, 6th March, 1788.

† Bengal General Consultations, 10th Dec. 1785.

influx

CHAP. I. influx of inhabitants from all parts of Hindooſtan had become very conſiderable. As many of theſe ſtrangers had merely gone to India as adventurers, and without any plan of exerciſing their induſtry—murders, robberies, burglaries, with the crimes of ſtealing and ſwindling had become frequent, and required the interference of the ſovereign power. In particular, the facility with which jewels, gold, ſilver, plate, and indeed all commodities of a ſmall bulk could be diſpoſed of, had made the temptations to commit theſe crimes ſo ſtrong, that the interference of the police was univerſally called for.

Police eſtabliſhment of 1773.

THE Governor and Council, therefore, upon the authority of the act 1773, eſtabliſhed an officer, under the name of Superintendent of police, and placed under him a Maſter of markets and a proper watch or guard. This Superintendent was to have a ſalary, was to make his tranſactions matters of record, and to ſubmit them to the Governor-general and Chief Juſtice; he was to have the power of bringing before him, by his officers, perſons charged with felonies, committing them for trial, and of judging immediately, by himſelf, of petty larcenies under the value of 10 rupees, or of ſimple aſſault and battery where no great injury was ſuſtained, and of puniſhing by impriſonment for one month; of ordering the culprit to be placed in the ſtocks, or to be beat with a rattan, or to be ſtruck with a ſlipper, to the extent of thirteen ſtrokes. He was limited, however, in the puniſhment of Dekoits, whom he was only to impriſon, and who were to be tried

by

by a court of criminal juſtice. He was to enter his tranſactions into a book and to lay them before the Governor-general and Chief Juſtice, annually, on the 1ſt of May and 1ſt of November; he was to give a liſt of the Europeans and ſhop-keepers reſident in Calcutta, obliging the latter to keep day books, into which they were to enter ſales and purchaſes, particularly of watches, jewels, &c. He was to prevent their melting down or defacing gold or ſilver till after it had been a month in their poſſeſſion; and to have the authority to proſecute them as receivers of ſtolen goods, if either their liſts were imperfect, or if gold, jewels, &c. ſhould be found for ſale without his licence, or defaced with a fraudulent intention; he was to be veſted with the power of levying fines for breaches of the peace, and in caſe the diſtreſs which he decreed did not enable him to recover the fine, he was empowered to commit the offenders to priſon.*

THE conſequence of this ordinance was, that the Superintendents of the police acted in an oppreſſive manner; complaints were brought againſt them before the Supreme Court of Judicature, this court condemned their proceedings;

* It appears from a minute of the Governor-general, that the Preſident and Council, on the 21ſt Auguſt, 1772, found that the Fouzdary courts, eſtabliſhed in each diſtrict, had always intermixed the exerciſe of their criminal juriſdiction with their tranſactions as officers of police; a circumſtance which gave them an opportunity of oppreſſing the inhabitants.

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ings; and His Majeſty, upon the ordinance and its effects being reported to him, diſallowed the whole.*

Police eſtabliſhment of 1784.

THOUGH this ſyſtem was laid aſide, it was found expedient to eſtabliſh another. The formation of it was recommended to the Governor-general and Council, who were enjoined not to exceed the ſubordinate powers of legiſlation with which they were veſted; and to take care that no unwarrantable power ſhould be given to the Superintendent. Accordingly a regulation of police was publiſhed in the Supreme Court of Judicature, on the 3d of May 1784, and a rate laid upon ſhops, lands, &c. for the ſupport of Commiſſioners of police; the produce was to be applied to the improvement of roads, paſſages, &c. Surveyors for this end were named, and the Superintendent of police, his Deputy, and Subordinates, prohibited from exacting fees contrary to the rates allowed in the ordinance †.

STILL, however, this plan of police was found defective, and improvements from time to time have been propoſed

* Bengal General Conſultations, 17th June, 1783, in which a copy of His Majeſty's warrant of diſallowance is inſerted.

† Extract of Bengal Conſultations, 26th July and 22d Auguſt, 1784. It is preſumed, that the power of the officers in England muſt have been ſomewhat of this kind, as the common law gave him no authority of judging or puniſhing; although a juſtice of the peace has in more modern times been veſted, by ſtatute, with authority in ſome particular caſes, and for ſome petty crimes, and upon the accuſation of others, to determine and puniſh the offence by fine or impriſonment to a limited extent.

for

SECT. II. Recent improvement upon this police.

for correcting them; ſuch as, a regulation that ſervants were not to be permitted to leave the ſervice of a maſter without receiving from him a teſtimonial of their character; a regulation to ſpecify the rate of wages, &c. and yet, after all, it was the opinion of Sir William Jones, in a caſe brought before him for oppreſſion by the police, "that the power of puniſhing, exerciſed by the ſuperintendent of the police, was a deformity in the government, and that the ſuperintendents of police ought only to have the power of apprehending offenders, not of puniſhing them."*

Plan of police propoſed by the Governor-general, &c. in 1788.

THESE circumſtances open to us the reaſons which induced the Governor-general and Council, in 1788, to attempt the providing of ſome ſuitable remedy for the defects of the police of Calcutta and its limits. They found that farther powers muſt be veſted in them, ſolely or in conjunction with the ſupreme court of judicature, for the purpoſe of bringing about an end of ſuch public importance; and after ſpecifying that the preſent ſyſtem of a ſuperintendent had been inſufficient to protect the inhabitants in their perſons or in their property, and that the evil might be traced to the old juriſdiction of the Zemindary-Cutchery, which exerciſed a power of hearing and deciding, ſummarily, cauſes both of a civil and criminal nature, and that this practice was contrary to the laws of Eng-

* Extract of Bengal General Conſultations, 26th March, 1785, and 13th January, 1786.

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land, and could only be juſtified upon the principle of neceſſity; and ſhewing, that this neceſſity aroſe from the ſmall number of magiſtrates, who, under the preſent law, were able to fulfil the duties of police officers; and pointing out the incompetency of the court of requeſts to diſcharge the duties required of it; they ſuggeſt, as an obvious and natural remedy, the encreaſe of the number of magiſtrates, and the extenſion and emendation of the inſtitution of the court of requeſts. If the former meaſure ſhould be adopted, they gave it as their opinion, that courts of criminal juriſdiction ſhould be oftener held, and the interpoſition of the legal power of a juſtice of the peace be daily and regularly reſorted to. If the latter ſhould be complied with, and competent ſalaries be allowed to the members of the court of requeſts, the inhabitants in general would have eaſy acceſs to juſtice, in cauſes of a trifling value, and not be burdened with the expenſe of ſuits in the ſupreme court of judicature.

Aſſiſtances expected in realizing this plan, from new modeling the court of requeſts.

THE Governor-general and Council therefore, propoſed to limit the powers of diſtributing juſtice in the court of requeſts to caſes under one hundred ſicca rupees;—that it ſhould take cognizance of contracts and civil injuries, where the demand did not exceed three hundred ſicca rupees, in a way ſimilar to what is called trial by civil bill, by the juſtices of aſſize in Ireland; but that, in theſe caſes, one of the judges of the ſupreme court ſhould preſide in rotation. They next propoſed an alteration upon the ſtatute 16 Geo. III. cap. 63, in order to enable them to form regu-

 lations

lations applicable to the police of Calcutta, though ſuch regulations might not be perfectly coincident with the laws of England. They propoſed alſo, that the juſtices of peace ſhould be ſelected from the principal inhabitants of Calcutta, and not nominated in England; that a power ſhould be given to theſe juſtices, of regulating and licenſing houſes where liquors are ſold in retail, and of ſuppreſſing thoſe which ſell ſpirituous liquors to the detriment of the inhabitants; that a coroner ſhould be appointed for Calcutta, and that the limits of the town of Calcutta ſhould be extended, agreeably to a plan which they tranſmitted; that the admiralty juriſdiction granted by His Majeſty's charter of 1774, ſhould extend over Bengal, Bahar, and Oriſſa, the iſlands belonging to them and their dependencies, and be applicable not only to the ſervants of the Company, but to Britiſh ſubjects in general; that the admiralty court ſhould have the power of inflicting death, as well as of levying fines, ſince the interpretation of the charter, 13th March, 1761, had, in ſo far as regards the trial of piracies, been a matter of difficulty and doubt. To remedy theſe evils effectually, they recommended, that a power ſhould be given by act of parliament to the ſupreme court of judicature, to try all treaſons, murders, piracies, &c. and all ſuch offences as are uſually puniſhed by maritime law: and of giving judgment and proceeding to execution in maritime capital caſes; and that this power ſhould extend to all places within the Company's limits. It would be expedient alſo, they concluded,

to

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to authorize it to judge in prize caufes, though this power would require fome alteration in fubfifting treaties.

—from an act, for the relief of infolvent debtors.

The Governor-general and Council, in recommending this fyftem, point out the neceffity of obtaining a law for the relief of infolvent debtors. As the law ftood, an obdurate creditor might retain a perfon in prifon for life; they therefore recommended that the fupreme court of judicature fhould be vefted with a power, concurrent with that of the court of requefts, for difcharging infolvent debtors. To the whole of thefe obfervations they fubjoined, propofitions refpecting the adminiftration of juftice in Prince of Wales's Ifland, or in fuch fettlements as may hereafter be made dependencies upon the Company's poffeffions, where the law ought to apply to the whole inhabitants *.

—objections made to the principle of this bill,

It muft, at firft view, occur, that a fyftem of police fhould have no dependence upon any of the branches of jurifdiction; but, on the contrary, fhould be feparated entirely from them and kept to its proper object, viz. the prevention of the wrongs or crimes of which the civil or criminal courts of a fupreme or fubordinate kind are to take cognizance. It muft occur alfo, that, in foreign and diftant fettlements in which the Company's fervants and Britifh fubjects, in general, form but a very fmall number of the inhabitants, and yet have the exercife of the fovereignty

* General Letter from the Governor-general and Council to the Court of Directors, dated 6th of March, 1788.

delegated

delegated to them, it would be difficult to find perſons capable of exerciſing the duties of police officers, who did not, at the ſame time, fill the office of magiſtrates in the inferior courts. The functions of theſe different offices might be ſpecified, and the duties of them completely ſeparated. This, perhaps, is all that can be done; in a ſituation where the inhabitants have ſuch oppoſite characters and prejudices, and yet are intimately connected together by the nature of the government to which they are ſubjected. If the Company's ſervants, from the commercial buſineſs which is put under their management, and from the neceſſity of their acting as magiſtrates, within the limits of their different collections, have neither time nor opportunities ſufficient to enable them to exerciſe the duties of police officers; and if the free Britiſh inhabitants, or even the natives of character and credit might be entruſted with the ſubordinate offices of police, then officers of police could eaſily be found. Upon the idea that the whole of the police was under the immediate controul of the Governor-general and Council, and that a Company's covenanted ſervant under their appointment, was to act as a juſtice of the peace, it might be expedient, and, perhaps, for the general advantage of the ſettlements, that the inferior officers of police ſhould be natives. The propriety of this meaſure will totally depend upon the ſeparation of police courts from law courts, and aſſigning to the one the preſervation of the peace, as its ſole object, and to the other, the trying and judging of wrongs or crimes, as their proper duty.

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Mode of eſtabliſhing regulations of police, coincident with the plan of government and of courts of juſtice.

TAKING, therefore, the advantage of the whole of this information, it is propoſed, in the firſt place, that a plan for regulating the police of our ſettlements ſhould be eſtabliſhed, by the joint authorities of the Governor-general, repreſenting His Majeſty, and of the native Princes acting as our allies or our dependents; this meaſure might take place upon the ſame principle with the regulations which have been ſuggeſted for the improvement of the judicial power. Upon this ſyſtem, all regulations of police ſhould be ſubmitted by the Governor-general and Council, or Preſidents and Councils, to the ſupreme court of judicature, with the conſent of which, after they have been promulgated twenty days, at the ſeats of government, and ſixty days in the provinces, they ſhould be held to be in force, liable only to reviſion and to approbation or diſallowance by the King in Council.

Propoſed conſtitution of courts of police, for all the Aſiatic poſſeſſions of Britain.

IT is propoſed in the ſecond place, that at each of the ſeats of government, there ſhould be a Superintendent-general of police, to be nominated by the Governor-general at Calcutta, and the Preſidents at Fort St. George and Bombay; that he ſhould have under him a Deputy, Regiſter, &c. and a Deputy at each of the ſeats of circuit, viz. Moorſhedabad, Dacca, and Patna, &c. that the Deputies ſhould have power to appoint in each of theſe places, with his approbation, from among the principal inhabitants, whether Britiſh or Native, ſubſtitutes of police and conſtables to aid in preſerving the peace.

IT

SECT. II.

Means of defraying the charges of police.

It is propofed, in the third place, that a certain rate fhall be paid by houfeholders, in proportion to their rents, for the fupport of this police eftablifhment; and that all fines or forfeitures, which may be levied on parties for breaches of the peace, fhould be paid into the fame fund as the rates above fpecified, viz. to the Superintendent-general of the police, who fhould make monthly reports of the amount to the Governor-general or Prefidents and Councils. Out of this fund the Governor-general, or the Prefidents, fhould have the power of paying the falaries to the magiftrates of police, and allowances to officers employed in the prefervation of the peace; that the Superintendents of police fhould take an oath of truft; and againft receiving prefents or bribes under any fpecies of defcription, and be liable for a breach of this oath to a profecution for perjury.

—Objects and duties of the officers of police;

It is propofed, in the fourth place, that the objects and duties of the Superintendents of police, and their Subordinates, fhould be, to make up lifts of all ftrangers, whether European or Afiatic, and to give an account of the manner of life, trade and conduct of each; to regulate the markets, in the cities, towns, or diftricts, under their jurifdiction, with the view of preventing all fchemes of foreftalling or engroffing the neceffaries of life; to receive information refpecting any theft, murder, robbery, or other crime, which either may be apprehended or actually committed, and to bring the parties into fafe cuftody; to quell all affrays or tumults, and to fecure the principals or ringleaders, that they

CHAP. I.

may be brought before a court of juſtice; to prevent all violent interferences between the followers of the different religions, authorized and tolerated in the Britiſh provinces; and particularly to prevent every ſpecies of inſult, or abuſive treatment by the Britiſh ſubjects (in the ſenſe of that word, already explained) being given to the natives while exerciſing their religious ceremonies and forms, whether thoſe of the Hindoos, Mahomedans, or other tolerated ſects; to hear all complaints for abuſive language, batteries or aſſaults, and to take the parties into cuſtody; to direct at all executions in aid of the executive officers of the courts of juſtice; and, in fine, to watch over and to controul the inhabitants in the intercourſe which they may have in the affairs of trade, commerce, &c. in particular, to check, as much as poſſible, all frauds, ſwindling, &c.

In the exerciſe of theſe duties, the police officer ought to have the right, (in caſe it may be neceſſary to exerciſe it,) of calling in the aſſiſtance either of the Company's troops, or of thoſe of the Nabobs, or native Princes; but ſhould be anſwerable for the orders he may give to the officers or commanders of ſuch parties, who are only to carry them into effect.

—Forms of procedure in the courts of police;

It is propoſed, in the fifth place, that the conſtitution, forms of procedure, and powers of the courts of police ſhould be, as follows: the Superintendent, his deputies, or their ſubſtitutes, ſhould iſſue warrants for ſeizing perſons guilty

guilty of a breach of the peace; theſe warrants ſhould authorize the officers of the police to bring the party before the Superintendent or his deputy, who, after examining the circumſtances, (without oath) ſhould make his report to the magiſtrate, either that the party merits a puniſhment not exceeding fifteen days impriſonment, or twenty rattans in the public market-place; or that the offence or crime, which has been committed, is ſuch as to be cognizable by a court of juſtice. In order more completely to render the court of police efficient, the confirmation of the magiſtrate, upon the preceding report, ſhould be held to be final, and the puniſhment be inflicted accordingly; or his commitment of the party, for trial, before a court of juſtice, ſhould be deemed equivalent to a gaol delivery, of ſuch priſoners as may be, ſtrictly ſpeaking, in the cuſtody of the police.

It ought, under this branch of the ſubject, to be an eſtabliſhed rule, that the ſubſtitutes, in the different diſtricts, ſhould make monthly reports of all affairs of police to the deputies, to whom the police may be committed, within the limits of the courts of circuit, and to the deputy of the Superintendent-general, in the ſeats of government; and that the Superintendents ſhould make quarterly reports to the Governor-general or the Preſidents, that the actual ſtate of the country may be known to them, and the improvement of their regulations of police become a part of thoſe duties for which they are reſponſible to the government in Britain.

CHAP. I.

Mode of connecting this plan of police with that known to the native princes,

It is propofed, in the fixth place, that fuch fhare in the management of police, as is confiftent with the preceding fyftem, fhould be left with the native powers, whofe names are ftill ufed in the government. The diftinction which was fuggefted in arranging the judicial power will naturally come to be obferved in accommodating this inftitution of police to the remains of their fovereignty. The difficulty will be lefs, perhaps, upon this laft fubject, and more eafily furmounted, than that which occurred in the firft, fince it has been found that under the Hindoo and Mogul eftablifhments, the officers of police were fubordinate to thofe of juftice. By a fpecies, therefore, of agreement with thefe Princes, the regulations for accommodating the ancient to the new plan of police might be adjufted, and the reports, which ufed to be made to the native Princes, be regularly communicated through their officers, to the Governors or Prefidents, that both might feem to take that fhare in the internal government of the country, which would mark to the whole inhabitants a common intereft in their fafety and profperity.

—coincided with the preceding plans of government and of jurifdiction.

By this arrangement the difpofitions and conduct of the natives, with refpect to the Englifh nation; and reciprocally, the difpofitions and conduct of the Britifh fubjects, with refpect to the natives, would be fully known; and the firft fymptoms of revolt in the former, or of oppreffion in the latter, from being matters of daily difcovery and of daily punifhment, would create in each of

them that mutual confidence which would attach both to the Britiſh government.

SECT. II.

Connexion of the foreign judicial power with the court, for the trial of Indian delinquents in Britain.

It is propoſed, in the laſt place, with the object of more fully connecting the judicial power in India with the court eſtabliſhed in Britain, for the trial of Indian delinquents, that the acts 1784, and the improvements in the act 1786, ſhould continue. Upon this particular ſubject, it is to be obſerved, that if the connecting a foreign dependency with the Britiſh government is difficult in itſelf, the eſtabliſhing a law which is to puniſh injuſtice done by the Britiſh ſubjects in India is not leſs ſo. If the Britiſh ſubjects who have reſided in India have been made amenable to a court in England, it is to be recollected, that the crimes or miſdemeanors, for which they were to be tried, have been committed in India; and that the Legiſlature could not foreſee the means which might be thought of, for evading the intentions with which the law had been made: experiment and time alone could diſcloſe them. Hence, in this, as in all Acts of Parliament, where clauſes muſt be introduced, pointing out not only the method of applying the law, but of preventing the evaſion of it, we have a proof of the ſuperiority of that rule which ariſes from the experience of ages, over that one, which, however excellent, has either been untried, or is not accommodated to every caſe. With the object then of rendering this court fully adequate to all the purpoſes for which it was inſtituted, the following additional clauſes may be uſeful:

CHAP. I.

That the defendant, in the trials brought into court upon an information preferred againſt him, ſhall not be allowed to avail himſelf of any defect, or want of form in the information, or in the ſubſtance of it, except upon demurrer, wherein ſuch defect ſhall be ſpecially aſſigned and ſet forth, in the manner of demurrer; and that in all caſes, prior to the ultimate judgment to be given upon ſuch information, it ſhall be in the direction of the Court to grant leave to demend it; and if judgment ſhall be given againſt the demurrer, the defendant ſhall not be permitted to plead over to the information; but the judgment ſhall be concluſive, (as in demurrers in other criminial caſes,) ſubject only to a writ of error. If this writ of error ſhall not be obtained within twenty days, after judgment is given upon a demurrer, or the writ of error diſcontinued, or the judgment on the demurrer affirmed, then the deciſion ſhall be delivered to the Lord Chancellor, or Lords Commiſſioners of the Great Seal, who ſhall iſſue a commiſſion under the Great Seal, for conſtituting a ſpecial court of judicature, agreeably to the exiſting ſtatutes, for pronouncing final judgment on the caſe. This judgment is not to be queſtionable in any other court, by writ of error, appeal, or any other form of proceeding. The court is to cauſe their judgment or ſentence to be executed by warrant, or to remit it to the Court of King's Bench, for execution or for proceeding to outlawry, in the manner directed by former acts of Parliament.

If

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If any defendant ſhall not have ſurrendered, agreeably to 26th of the King, and proof be made, by affidavit or otherwiſe, to ſatisfy the Court of King's Bench that the defendant is beyond ſea, or cannot be found in this kingdom, to anſwer the charges brought againſt him; then the court may order a rule, directing the defendant to ſurrender himſelf in court, or to the chief juſtice, or to one of the other judges thereof, at a certain day, at the diſcretion of the court; a copy to be (within twenty days after making the rule) three times inſerted in the London Gazette, and affixed upon ſome public place in the office of the Eaſt-India Company, in the city of London.

If the defendant ſhall not ſurrender himſelf according to ſuch rule, then, on proof being made of the publication of it, the court are required to give judgment, in default, againſt him, purſuant to the act the 26th of the King.

If the defendant ſhall have entered into any recognizance or bail, purſuant to the acts the 24th and 26th of the King, and purſuant to the rule above deſcribed, then the Court of King's Bench are required to give judgment by default, and proceſs of outlawry may be iſſued thereon. In no caſe where judgment ſhall be entered or given by default, ſhall any writ of error be allowed; but the record of ſuch judgment ſhall, at the option and requeſt of the proſecutor, either be retained by the Court of King's Bench, for final ſentence, or be delivered to the Lord High Chancellor, or Lords Commiſſioners for the Great Seal, who

CHAP. I. ſhall thereupon iſſue a commiſſion under the Great Seal, conſtituting the Court of Judicature for the trial of Indian delinquents, who ſhall pronounce final judgment and ſentence thereon, with proceedings for the execution of the ſentence or outlawry.

Reſult. SUCH ſeems to be the judicial power required for the Britiſh poſſeſſions in India, and the amendments in the exiſting acts, regarding the trial of Indian delinquents, in England, which experience has pointed out to be neceſſary for uniting this diſtant dependency, and the government eſtabliſhed in it, with the government of Great Britain.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

CHAP I.

SECT. III.

OF THE FINANCIAL POWER REQUIRED UNDER THE PRECEDING PLAN OF GOVERNMENT.

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 under

under the Usurpers in the Provinces of their Empire—Sources of Revenue in the British Provinces in India—Progress and Result of the Investigations to ascertain the Nature and Extent of it under the Moguls—under the Usurpers, and under the Company in the central Provinces—Effect of the Acquisition of the Duannee, on the Financial Power—Ineffectual Regulations for the Revenue proposed by the Directors—First Parliamentary Interferences to correct the Abuses of the Financial Power—Result of them—Expectations of the Directors from the calculated Amount of the ancient Revenues.—Decline of the Revenue—from the Uncertainty respecting Zemindary Rights—from the erroneous policy and reasoning of the Company's Servants—from the Failure of a Demand for the Produce of Industry by the Fall of the Court of Delhi, and Courts of the Soubahdars, &c.—This last Evil in part removed by the Demands from Europe—Consequences of the Company's Acquisition of Territories on the Rise and Fall of Revenues—Result of the late Enquiries on this Branch of Indian Oeconomy in a permanent Settlement of Land Rents—in fixing the Rates of Duties and of Customs—similar Investigations, the Means of giving a fixed Character to the Financial Power over all the Eastern Dominions of Britain. 1st. Proposal for assessing and collecting the Revenues through the Boards of Revenue, 2d. Proposal to fix the Rents of Lands in general, and render Leases permanent. 3d. Proposal to fix the Duties on the Produce of Industry and the Customs on Trade. 4th. Proposal to hold out Encouragements to Industry and Trade among the Natives, our Subjects—Appropriation of the Indian Reve-

nues aſſeſſed and levied upon theſe Principles. 1. *Propoſal, to appropriate the Revenues to the Military, Marine, and Civil Charges.* 2. *Propoſal, to appropriate them to the Payment of the Company's Debts,—either by funding them in India and in England,—or by enabling the Company to encreaſe their Capital. This laſt, the moſt immediate Means of diſcharging the Debt.* 3. *Propoſal, to appropriate the Revenues to the Support of the Company's Inveſtment.* 4. *Propoſal, Appropriation of the Surplus to an encreaſe of the Dividend from eight to ten per Cent.—and to an annual Participation of the Reſidue with the Public—Encreaſe of Surplus to be the Company's—Contingencies upon which all theſe Appropriations may depend.*

SECT. III.

Nature and progreſs of the financial power,

IN every State the financial power ſignifies the exerciſe of the ſovereignty by which it ſets apart value, to be applied for maintaining the officers employed in the adminiſtration of civil affairs, and for levying and paying the armies or fleets required to defend its ſubjects againſt the attacks of neighbouring or foreign nations. This value, or public property, varies in its nature and amount with the progreſſive ſtages of civilization. In rude ages it is either the produce of a portion of the original ſoil, or in the event of a conqueſt, a proportion of the acquiſition whether

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consisting of plunder or land paid to the chief or conductor of the expedition, or it consists of temporary contributions levied by this chief, acting for the preservation and protection of his followers. After arts and commerce have begun to create a species of property, which does not seem to arise from territory, but from the wealth acquired by the ingenuity and industry of the inhabitants, the sovereign power begins to consider, that a portion of this wealth also ought to be paid for the protection afforded the artisan, the manufacturer and the merchant, against the violence of individuals or of external enemies. This assessment on industry bears a kind of indefinite proportion to the former tax paid from lands, and is the circumstance which first gives a complicated aspect to revenue.

—is the most complicated branch of political œconomy.

To define this financial power, has, under every species of government, been the most difficult branch of political œconomy. It varies in its character, and in the mode of exercising it, according to the situation and circumstances of any people.

State of it in Hindoostan, under the Moguls,

In no nation has the sources of this power, and the exercise of it, assumed more complicated aspects than in Hindoostan, whether we trace them from the rise to the establishment, or from the establishment to the fall of the Mogul empire.

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When the Moguls firſt invaded Hindooſtan, it was with the object of levying contributions rather than of founding an empire. The veſtiges, however, of this firſt violence remained, after the conquerors had fixed a ſeat of their power, and divided their dominions into diſtinct ſoubahs or provinces; hence the cuſtom of levying temporary contributions to anſwer the real or pretended exigencies of the ſovereign. Baber and even Acbar practiſed this meaſure, though the latter Emperor fixed the jumma, or tax roll, for the aſſeſſment of lands, and the duties or cuſtoms on the induſtry of his people.

—became more oppreſſive in its practice under the uſurpers in the provinces of their empire.

This prerogative of the Moguls did not ceaſe with the fall of the empire. It was exerciſed by the uſurpers in the different provinces, and copied, in many inſtances, by the Hindoo ſtates, who took advantage of the revolution, to eſtabliſh their own independence.

The financial power in India was, in this ſituation, at the period, when the conqueſts of Great Britain were made, and when the Company became officers of the fallen Moguls, allies or maſters of the uſurpers in the richeſt provinces, or allies and ſupporters of ſome of the Hindoo ſtates, for the purpoſes of carrying on trade.

Sources of revenue in the Britiſh provinces in India.

To have a view then of the financial power in the Britiſh provinces in Hindooſtan, we muſt revert to its particular character among the Moguls, and connect this with the circumſtances which have led the Company to adopt

 the

CHAP. I. the Mogul ſyſtem, or to change it. In this way we ſhall diſcover the ſource of our own revenues in India, and be able to judge of the appropriations which have been made of them. The revenues in the Bengal provinces, (and, allowing for local differences, in the other provinces) aroſe from land rents, from duties on the productions of the arts, and from cuſtoms levied on trade. The Bengal provinces being the principal of the Company's poſſeſſions, and thoſe by which not only the other ſettlements have been ſupported, but by which the Company have been aided in purchaſing inveſtments, claimed the firſt attention of the Directors, and afterwards of the Legiſlature.

Progreſs and reſult of the inveſtigations to aſcertain the nature and extent of it under the Moguls.

THE financial power of the Moguls, from the very nature of their conqueſt, was blended with the judicial, becauſe the object of the invaders was to build a ſyſtem of civil adminiſtration upon a military arrangement. An annual collection was made from the produce of the lands, of this the Sovereign had one part, the cultivators another, and out of this laſt was taken the expenſe of collection. The ſame method of aſſeſſment and collection was employed in levying duties and cuſtoms on the produce of arts and manufactures, and on trade, inland, tranſit or external. Hence the collector of land rents, duties or cuſtoms, often gave the Zemindars opportunities of levying additional ſums for their own uſe. If they paid the Prince, the oppreſſion was overlooked in proportion to the low rank and remote ſituation of the cultivator, artizan or trader. The ſum paid by

by the different provinces varied according to the extent and fertility of each province. This appears from the proportion at which the different provinces were aſſeſſed by Acbar. Theſe proportions were encreaſed by his ſucceſſors, and ſtill more ſo by the uſurpers of his empire. The Duan paid the proportion for the province allotted to him into the treaſury at Delhi; he was checked by the Soubahdar, but both Soubahdar and Duan frequently united in the plan of raiſing contributions from the ſubjects, for the purpoſes of ſtrengthening their own power, and of encreaſing their particular riches; they of courſe winked at, or authorized the ſame iniquitous practices in the Zemindars, who, from the accidents of birth or arbitrary nomination, were the collectors of revenue, the ſubordinate judges, and the officers of police in the diſtricts into which a province was divided. In their turn theſe Zemindars portioned out the like powers among their inferiors, ſo that the ryot or cultivator of the ſoil, though he was conſidered to have a right to remain on it, and to cultivate it for his ſupport, and for the payment of the rents to the Zemindar, was, in fact, expoſed to an oppreſſion that encreaſed in proportion to the number and orders of the officers, who acted between him and his Sovereign.

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In this ſituation the Eaſt-India Company received the Bengal provinces, retaining the Nabobs or Rajahs in them, in whoſe name this corrupted Mogul ſyſtem was carried on; and having, together with the Nabob, a Duan, nominally accountable to the Nabob, but really the inſtrument of oppreſſion

Under the uſurpers, and under the Company in the central provinces.

preſſion

CHAP. I.

preſſion in the hands of the Company's ſervants, who uſed him as the broom by which they were to ſweep together wealth to be tranſported to Europe.

Effect of the acquiſition of the Duannee on the financial power.

At laſt, Lord Clive obtained the Duannee, and though he did not, by this, render the Company more powerful than they had been, after his victory at Plaſſey made them delegated ſovereigns, he rendered the Governors and Councils more accountable for their conduct to their ſuperiors the Directors, and gradually brought forward, by this reſponſibility, the ſubject of Indian revenue to notice, examination, and regulation by the legiſlature.

Before the acquiſition of our territories, the only revenues which the Company poſſeſſed in India, were the rents paid by the little diſtricts, which they had obtained round their factories or ſeats of trade, and the cuſtoms which they levied at thoſe ports, which the guards of their factories could command; theſe rents and duties were, in general, aſſeſſed agreeably to the cuſtoms of the country, and levied according to the terms of the grants, which had been obtained from the Moguls, or from the Chiefs who were the immediate ſuperiors of the diſtricts.

When the conqueſts of Lord Clive gave the Company dominions, they adminiſtered their revenues upon the ſame principle with the uſurpers of the Mogul power; that is, upon the principle of the Mogul government. The conſequences were, that the natives complained of the adminiſtration

SECT. III.

ſtration of the Company, and the Company's ſervants of each other. The former ſaid, that the tenures upon which they had held their lands were done away, and that they were unable to pay inland duties upon trade, when the Company's ſervants paid none, either to the native princes or to their Maſters. The latter either appealed to the privileges which the Company had obtained from the Mogul and Nabobs, but which the Directors did not underſtand, or offered apologies to the court, each laying the blame upon another, to exculpate himſelf. At laſt all men were ſatisfied that the conſtitution, which was ſuited to a mercantile aſſociation, was by no means calculated for the management of a financial power in extenſive provinces.

Ineffectual regulations for the revenue propoſed by the Directors.

In conſequence of this opinion, the Directors and Proprietors endeavoured to lay down regulations for the financial power in India; but from the very conſtitution of theſe courts and from the novelty of the ſubject, the propoſed regulations were imperfect in themſelves; and from the influence which the Company's ſervants, who had returned from India with large fortunes, and become Proprietors of India ſtock obtained, by making and unmaking Directors; the regulations (ſuppoſing they had been perfect in themſelves) were eaſily evaded in their application.

Firſt parliamentary interference to correct the abuſes of the financial power.

Such were the circumſtances which alarmed the Public, and called for the interference of the Legiſlature. It appears upon the reports of the Houſe of Commons, that the revenues in our Indian provinces principally aroſe from the

rents

CHAP. I. rents of land; that the tenures by which theſe lands had been held, were feudal in their ſpirit, but local in the circumſtance of the holder being removeable at the pleaſure of the Prince; that the Zemindar paid his rent to the Collector or Duan of the province; that the Chowdrie and a few of the Talookdars, might have held their lands immediately of the Mogul, but that the great body of the Talookdars held of the Zemindar and paid their rents to him; that though the ryots or cultivators of the foil had, as ſuch, original rights, yet, that they were liable to oppreſſions, proportioned to the number of their ſuperiors, ſince the farmers of the revenue contracted with the Zemindars, Talookdars and Farmers; and thus, if they levied the quantum to be paid to the ſtate, they might with impunity extort money for themſelves.

Reſult of them.

WHEN the produce of the revenue thus was to paſs through ſo many hands, oppreſſions began with the loweſt perſons in office and roſe in a cruel progreſſion to the higheſt. The Zemindar might be oppreſſed by the immediate Collector of Government; he, in his turn, by the Nabob; and he, in like manner, by the Duan, who remitted the ſtipulated revenue from the province to the capital. Nor were the oppreſſions confined to thoſe exerciſed upon the cultivators of the ſoil, ſince the revenue aroſe, not from the rents of land alone, but from the duties which were impoſed upon induſtry and trade. If a farmer improved his fields, the Zemindar aſſeſſed him according to the ſuppoſed profits which his improvements would yield; if an artizan improved or extended a manufacture,

a ſum

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a ſum was levied on his computed ſtock and profits; if a merchant bought goods and carried them to market, he paid a duty on them where they were purchaſed, he paid road duties and river duties as he went along with them for ſale, he paid a duty at the aurung where he was to expect his profit; ſo that, till they came into the hands of the conſumer, the payment of duties did not ceaſe. Under the ancient government, indeed, theſe taxes had ſome check, ariſing from the laws impoſing them being underſtood; but when the ſovereignty paſſed into the hands of the Company, to be exerciſed in the name of the Nabob, even this check was done away.

Expectations of the Directors from the calculated amount of the ancient revenues.

THE Directors, ſtruck with the magnitude of the revenue, as remitted to Delhi, thought of nothing beyond realizing it; and the firſt governments, after the acquiſition of the Duannee, thought of nothing beyond gratifying the demands of the Directors; unleſs it was, ſheltering themſelves under this authority to exerciſe their power for intereſted or private ends.

Decline of the revenue,

THE ſources of the revenue, at laſt, began to be dried up, and yet the Directors required the ſame amounts. Eager to preſerve their power, their foreign ſervants ſtrained every nerve to keep up the revenue, and to collect the money in circulation, for ſupplying the China inveſtments. In the firſt of theſe oppreſſive plans, we diſcover the true cauſe why Nabobs were degraded, made and unmade; and in the ſecond, the cauſes which contributed to the decline

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of agriculture and of manufactures. In the union of both, the ſources of the ſudden change of a rich domain, into (what threatened to become) an impoveriſhed and deſolated waſte.

It was now that theſe evils were ſeen in all their magnitude, and that enquiries were inſtituted to aſcertain what the rights of the Zemindars and Landholders had been, under the Mogul government, and what were the real ſources of the decline of agriculture and of manufactures.

—from the uncertainty reſpecting zemindary rights,

On the ſubject of the rights of the Zemindars, the reaſonings continued for years, in extremes. On the one hand, it was aſſerted, that the Zemindar had been merely an officer or collector of revenue; on the other, that he had been a feudatory Prince of the empire. It has required the moſt laborious inveſtigation to diſcover the fact, viz. that the Mogul was the Lord ſuperior, or proprietor (terms equivalent in their meaning) of the ſoil; that the Zemindars were officers of revenue, juſtice, and police in their diſtricts, where they alſo commanded a kind of irregular body of militia; that this office was frequently hereditary, but not neceſſarily ſo; that, on the failure of payment of the rents, or of fulfilling the other duties of his office, he could be ſuſpended or removed from his ſituation, at the pleaſure of the Prince; that the rents to be paid to him were not fixed, but aſſeſſed, at the will of the Sovereign; and that the ryot or cultivator of the ſoil, though attached to his poſſeſſion and with the right to cultivate it, yet was ſubjected

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to payments, varying according to particular agreements and local cuftoms; that, in general, he continued on the fpot, on which his labors were directed to raife the means for his own fubfiftence, but that the proportion to be paid to the ftate was to be judged of by the Zemindar; that the rights of the ryot had been gradually abridged, and the proportions he paid encreafed, during the fucceffive revolutions through which his country had to pafs, before and after the fall of the Mogul empire.

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On the fources of the decline of agriculture, and of manufactures and trade in Hindooftan, the reafonings, though they have not been fo much in extremes, as on the fubject of land rents; yet have, by no means, been full or fatisfactory. On the one hand, it has been faid, that the oppreffions of the Company's fervants alone produced the decline of the arts and of trade; on the other, that but for the quantities taken off by the Company, or by the Europeans in general, arts and trade would have more rapidly declined than they actually did. This evil, however, may be traced to fources diftinct in themfelves, though encreafed more or lefs by thefe events. In the Mogul fyftem of policy we can fee their origin, and, in the exercife of this policy, by the Bengal prefidency, their completion. By the former, the duties on the productions of art, and the cuftoms on trade were in the hands of Soubahdars or Nabobs and their Duans, or in thofe of their Subordinates, the Zemindars; by the latter, the powers which all of thefe Mogul officers had exercifed, were confidered to have paffed into the hands of our Pre-

—from the erroneous policy and reafoning of the Company's fervants,

 fidents

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ſidents and Councils. We have already adverted to the circumſtance, that the amount of the revenue was to be kept up, while the money in circulation was to be carried off to a foreign market. If to this immediate cauſe of the decline, we add, that the richeſt portions of the ſoil were often let to the Company's ſervants, while the leſs fruitful were to pay an encreaſed tax; that the Company's ſervants pleaded an exemption from duties and cuſtoms on trade, while the Mahomedans were ſubjected to heavy payments of them, and the Hindoos to heavier ſtill; that the lands which had been laid waſte, were to be cultivated at the Company's expence, and their ſervants to be paid for the ſuperintendence of this cultivation, while the inhabitats on theſe lands were ſubjected to heavy duties and to cuſtoms; we can be at no loſs to account for the decline of agriculture, of arts and of trade. Inſtead of equalizing rents, or duties and cuſtoms, the ancient policy was continued; the Zemindar was made a tenant at will, and the leaſes or pottahs to the farmer, when he was unable to diſcharge his rent, frequently given to ſtrangers and to adventurers, whoſe ſtock and credit were ſoon to paſs through the like viciſſitudes.

—from the failure of a demand for the produce of induſtry by the fall of the court of Delhi and courts of the Soubahdars, &c.

CONNECTED with theſe circumſtances was the mercantile ſituation of the native artizan, the manufacturer, and the merchant. After the fall of the court of Delhi, and of the courts of the Soubahdars and of the Nabobs, the demands which had been made for the productions of art, as miniſtering to the luxury of magnificence, neceſſarily ceaſed;

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demands too, which, from their nature, returned their value through the merchant to the manufacturer, through him to the artizan and the cultivator of the foil, and by this current, not only kept the money in perpetual circulation in the country, but gave a conftant ftimulant to exertion and to induftry. Inftead, therefore, of afcribing the decline of the arts and of trade to the Eaft-India Company alone, acting upon the policy of the Moguls, it is almoft certain, that had not an outlet for Indian productions been afforded by the European companies, the fall of Eaftern arts and manufactures, and the confequent diftrefs of the natives, would have been more fudden and general.

This laft evil, in part, removed by the demands from Europe.

It ought not alfo, upon this fubject, to be forgotten, that the demand for Eaftern piece and wrought goods in Europe was, from their novelty, greater, during the firft period after we acquired our territories than during a later period, when that novelty had ceafed. The tafte in them had continued the fame in the Eaft, becaufe no Eaftern court remained to give them fafhion. In Europe, the imitations of the fabric of Eaftern piece and wrought goods began to gain ground, and our tafte in the form or fafhion of them to change and to improve. The demand, of courfe, decreafed, though it has, in fome degree, been reftored by the imitations of the European tafte, which have been introduced into the Indian manufactures.

If then, we bring the whole of thefe circumftances together, viz. that no imperial court exifted in the peninfula,

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Consequences of the Company's acquisition of territories, on the rise and fall of revenues.

to take off or to give fashion to the productions of the artizan or manufacturer, or profits to the merchant and trader; that the money in circulation was withdrawn, to be carried to a distant market; that the imitation of Eastern arts was lessening the demand for the produce of them in Europe; we discover, at once, the causes of the failure of that part of the revenues, which arise from duties and customs. Hence the merit of the Directors and of the executive power in introducing regulations, tending to give the landholder encouragement, by confirming him in his property, upon payment of a fixed rent; and hence the propriety of the measures which have been devised for encouraging the artizan, the manufacturer and the merchant, in our Asiatic provinces.

Result of the late enquiries on this branch of Indian œconomy, in a permanent settlement of land-rents,

WITH the object of introducing this liberal policy, the enquiries of the intelligent servants of the Company have been directed to investigate the history of the revenue, and to ascertain the present state of the districts in the Bengal provinces. For these purposes, the changes through which they have passed, the imposts to which they have been subjected, and the customs peculiar to each district have been investigated. In this way the ancient rights of the different orders of the landholders, and of the tenants, have been unfolded; a distribution of the provinces into collectorships introduced; the amount of the rent to government from each division fixed; and the inferior occupant, and the immediate cultivator of the soil, secured in the enjoyment of their property, upon payment of a moderate

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and known ſum to the principal landholders. Till theſe ends could be effected, it was impoſſible to know the perſons with whom a ſettlement could be made, to come to any deciſion on the claims of the Zemindars, to make out a permanent aſſeſſment of rents, or to deviſe regulations for levying them.

It was now that the Mogul financial principle of collecting continually upon the actual produce of the land, and of dividing this produce between the ſovereign and the immediate cultivator, was perceived in all its pernicious conſequences, of concealment, fraud, and the multiplication of the immoral artifices by which the characters of men of every rank had been debaſed. It was now that the changes incident to the ſituation of the Zemindars, their fraudulent alienation of lands, and the miſmanagement of the revenue ſervants of the Company, during the firſt years of the Duannee, were detected and explained. For this valuable information the Company are indebted to the activity and integrity of the Board of Revenue; and, on this information, have proceeded the regulations which have been deviſed, for doing away former abuſes and rendering the financial power preciſe and reſponſible.

After all, however, that has been done, and with all the accumulation of records of revenue, ſtill time and experience will be required to aſcertain the actual value of all the diſtricts in the provinces. Enough, however, has been obtained to juſtify the introduction of a fixed rule of taxation, that ſhall be ſimple and invariable in its cha-

 racter.

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racter. To this the example of the Decennial ſettlement, with the contingency of becoming perpetual in Bahar, neceſſarily led. The objects in making the perpetual ſettlement were, to confer on the landholder the poſſeſſion of the diſtrict which he occupies, on a fixed and moderate rent; to deprive him of the power of interfering with the ſituation of the Ryots, in the ſums they pay to the ſtate, under the pretext of making any addition to the revenue; and to leave to the ſovereignty its right to exerciſe, from time to time, its authority in making ſuch regulations, as may ſecure the ryot in his poſſeſſion, and prevent his being loaded with unwarrantable exactions. Nor is this meaſure more political and wiſe, than it is liberal: it has not proceeded from any poſitive title in the natives to their lands, but has been a conceſſion from the Britiſh government to the Zemindars and to the Ryots, which they never had been able to obtain under the mildeſt adminiſtration of their native Princes.

—in fixing the rates of duties and of cuſtoms.

THE ſixt aſſeſſment of lands, however, would have been but an ineffectual relief, had not the power of eſtabliſhing Gunge Haut and Buzar, or market duties, been veſted in the ſovereignty alone, and had not the claim of the Zemindars to impoſe duties or cuſtoms, in their diſtricts, been done away. Many of theſe Zemindars will poſſeſs extenſive diſtricts, which, with ſuch rights, might have endangered the public ſafety.

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Similar investigations, the means of giving a fixed character to the financial power, over all the Eastern dominions of Europe.

Having thus pointed out the sources of revenue in the central provinces, with the measures which have been devised for assessing and collecting its various branches, it is reasonable to expect, from the activity of the Company and of the executive power, that the like measures (allowing for difference of situation and of institutions) will be followed up, in the British dominions on both coasts of the peninsula of India. For this public end, however, investigation and experience will be required, and the following propositions in connexion with the system of government which has been suggested, as suited to our Asiatic possessions seem calculated to become the basis of this improvement.

1. Proposal for assessing and collecting the revenues through the Boards of revenue.

First. It is proposed, that the financial power for our Indian revenues shall, in its constitution, rest upon the system of government, which we have attempted to point out as expedient and practicable for our Eastern dominions of every description. As the present Boards of Revenue in India, originated in this plan of government, and accord with it, in its most improved aspect, it will be expedient to continue them, preserving their relation, at the same time, with their respective presidencies, and with the supreme power in India; and the relation established between it and the Court of Directors, and the executive power in Britain.

2. Proposal to fix the rents of lands, in general, and render leases permanent.

Second. It is proposed, that the rents of land shall, in general, be fixed, and the leases made perpetual, upon the plan which the instructions from the Court of Directors in 1786, Lord Cornwallis's judicious arrangements, and the

ſyſtem which has been detailed, have pointed out; that is to ſay, that the Zemindars, or Hereditary Proprietors, ſhall have leaſes of their lands on a fixed rent, that theſe leaſes ſhall not entitle them to impoſe any new burdens upon the farmers and cultivators of the ſoil, under the pretext of tributes to the ſtate; and that they ſhall be under the ſole condition of fulfilling the articles, which have been ſtipulated with them by the ſovereign power. Such a meaſure will recommend itſelf to the natives, as being an improvement upon the ſyſtem of Acbar, and of Jaffier Chan, and at the ſame time, it muſt become an additional bond of their allegiance and attachment to the Britiſh Government.

3. Propoſal to fix the duties on the produce of induſtry and the cuſtoms on trade.

THIRD. It is propoſed to ſettle the duties upon trade, and indeed, upon all the ſubjects of induſtry at fixed and reaſonable rates, and totally to do away the power of the Zemindars, Chowdries, Talookdars and Farmers, of impoſing or levying arbitrary impoſts. The right which the Zemindars had of keeping in their pay a ſort of militia, to aid them in collecting the rents and duties under the former ſyſtem of government, muſt, of courſe, be taken from them; the military eſtabliſhments, under the order of the civil power, being deemed ſufficient for all the purpoſes of ſanctioning the eſtabliſhed laws.

4. Propoſal to hold out encouragements to induſtry and trade among the natives, our ſubjects.

FOURTH. It is propoſed, with the object of improving the Indian revenues of all the preceding deſcriptions, to give every poſſible encouragement to the natives, who may di-

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rect their induftry to the production of the raw materials required in the Britifh manufactures, or to the manufactured Indian produce in demand in Europe. The encouragement of the former will obvioufly be for the mutual advantage of India and of Britain; the encouragement of the latter, muft turn upon the principle of not checking our home manufactures, which are imitations of the Indian, and yet not abridging the Company's fale of Indian manufactured produce, either at home, or for re-exportation to foreign markets.

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Appropriation of the Indian revenues, affeffed and levied upon thefe principles.

HAVING thus fuggefted propofitions on the fubject of affeffing and collecting the rents and duties in our Afiatic provinces, we have in the next place to mark out a line for the appropriation of them.

IT is to be recollected, that the property of the Company confifts of two diftinct kinds, viz. their capital ftock, goods and other effects in Britain, which may be confidered as the original bafis of their trade, or as their home property; and the articles of their trade, debts due to them in India, and the revenues arifing from the provinces, which may be confidered as their foreign property. It is alfo to be recollected, that till the effects of the late peace can be fully and experimentally known, it will be impracticable to fay what appropriation to the fupport of the eftablifhment of our new dominions may be required. Thefe, however, are contingencies infeparable from the nature of the Afiatic dominions and trade of Great Britain.

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On the average of three years preceding the war, the revenues of Bengal, Madras and Bombay, amounted to £.6,897,730 per annum, and the charges incurred in the civil and military eſtabliſhments to £.5,233,717 per annum, leaving a net revenue, after allowing £.50,000 per annum for the expenſes of Bencoolen and Pinang, of £.1,614,013. In an eſtimate lately drawn up by the Court of Directors, the countries ceded to the Company by Tippoo Sultan at the termination of the war, are ſtated to produce £.390,000. In this eſtimate, the total revenues of the Britiſh provinces in India are computed at £.6,963,625, and the future civil and military charges at £.5,238,125, leaving a net revenue of £.1,725,500, out of which the intereſt payable on the debts in India is ſtated to be £.561,923, which would leave a net ſurplus of £.1,163,577, or, allowing for commercial charges (£.104,450) the net amount to be realized at home through the medium of trade, or to be applied to the liquidation of debts in India is £.1,059,127.

1. Propoſal to appropriate the revenues to the military, marine, and civil charges.

First. It is propoſed, that a preferable appropriation ſhall be made to the payment of the military and other neceſſary charges required to maintain the foreign ſettlements of the Company. From the nature of our military power in India (to be afterwards deſcribed), as conſiſting of European and native troops, large ſupplies muſt frequently be neceſſary; and theſe, from the diſtance of India from Europe, could not be ſent in the requiſite time. Suppoſing then that the arrears to the European branch of our force could be allowed to run up to a large amount, by our depending on the

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the innate love of their country ſo decidedly a part in the character of Britiſh ſoldiers and ſailors, it would be dangerous to make the ſame ſuppoſition reſpecting the natives. In every age and amid all the revolutions in Hindooſtan, immediate payments have attracted the natives to or drawn them from the ſtandard of their leaders. Though their notions of the punctuality and honor of the Britiſh nation have confirmed in them, (during the ſucceſſive wars from 1778 to 1792) a belief in the credit due to the Engliſh, ſcarcely compatible with the Indian character, yet this cannot always be depended upon. Credit may be ſhaken by the breath of opinion, or by the inſidious artifices of enemies. The attachment of an Indian ſoldier may waver with either, and ſhift from a Britiſh General as it did from their own Emperors, or from one of the ſons of theſe Emperors to another, or from the uſurper of the power of to-day, to the uſurper of the power of to-morrow. It is but juſtice, however, to ſay, that if promiſes and payments are fulfilled and made, the natives of India are as little deficient in their attachments as they have proved themſelves to be in their courage: but if promiſes ſhall be broken and payments with-held, a doubtful or a diſaſtrous campaign might diſſolve their allegiance and annihilate their confidence. The appropriation therefore of the revenues to the charges of the military and marine eſtabliſhments, muſt, in the moment of war, ſupercede every other payment, and during peace, the ſupport of ſuch military eſtabliſhments muſt be provided for, as may be requiſite for the defence of our ſettlements, and may impreſs the natives with the belief of our

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power, not only to overcome any confederated force in India, but to render aids to our enemies, from a rival power in Europe, hopeless and impracticable. Under this proposition will also come to be included the payment of the civil charges. On this subject, it may be proper to keep in view the nature of an Indian civil establishment, viz. that it consists not only of an executive power, but of offices for the administration of justice, and factories for the purposes of trade. In all of these views, the appropriation may, from the character of the officers, be employed, and of the duties required of them, will safely admit of a longer delay of payment in consequence of the known credit due to the Company and to the nation, than the appropriation to defray the charges of armies or of a marine.

2. Proposal to appropriate the revenues to the payment of the Company's debts,

SECOND. It is proposed, with the object of invigorating the credit of the Company, that a plan should be formed for enabling them to discharge their debts. Two measures suggest themselves for this important purpose, viz. that the Company should be empowered to fund their debt abroad and at home, or that they should be empowered to encrease their capital stock. Both measures require explanation, that the plan, which will most immediately produce the end, may be selected and adopted.

—either by funding them in India and in England;

THE method of funding their debts we have treated of in delineating the plans which have been suggested for the future management of Indian affairs, since the period at which the controuling power over them was introduced

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by Act of Parliament. Should this plan be adopted, it must be enacted, that the different Presidencies of Fort William, Fort Saint George and Bombay should have power to take in subscriptions by way of loan, at a rate of interest not exceeding 8 per cent; that the outstanding paper should be accepted of, at par, in payment of these subscriptions; that the money received in the treasuries of each Presidency should be applied to take up the outstanding shares or paper not subscribed for; that the limit of the subscription should be ascertained by keeping open the books in India, until a sum equal to the existing debts of the Company abroad, bearing interest, should be subscribed for, and that this should be termed the *Foreign Indian Fund*; that the current annual interest should be made payable half yearly, at the respective treasuries of Fort William, Fort Saint George and Bombay; that, in specific and unqualified terms, the revenues of all the British possessions in India should be the security to the subscribers; and, that the regular payment of the interest, free of all taxes, fees or gratuities should be preferable to every other demand, the military and marine charges of the Presidencies alone excepted. To correspond with this foreign fund, it should also be enacted (with the object of accommodating such persons in India as may wish to realize their fortunes in Britain, and with the object of encreasing the fund for investments), that the Company should be empowered to open books, at the East-India House, for a subscription at 4 per cent, on the credit of the profits of the Company's trade and of the surplus revenues of India; that the subscribers to the foreign fund should

CHAP. I. ſhould be permitted to have ſhares transferred and written off, from the books abroad to the books at home; that the rate of exchange, at which transfers are to be made, ſhould either depend on a ſpecial agreement with the Governor-general and Co ncil, and Preſidents and Councils, and the party transferring; or be determined by the rate which the Company, at the time, allow for money in exchange for bills on Europe, and that the amount to be thus transferred from India to the books at home, ſhould conſtitute what might be termed the *Home Indian Fund*.

It is obvious, that this plan of a foreign and a home Indian fund would ultimately produce the end of enabling the Company to liquidate and diſcharge their debts, and not leſs ſo, that any contingencies which might interrupt the progreſs of the Company, in carrying this meaſure into effect, might be provided againſt. Should, for inſtance, a war break out in India with any of the native Princes, or ſhould hoſtilities commence between Great Britain and any maritime European power, which might have the effect of preventing the regular payment of the intereſt on the ſhares of the foreign Indian Fund, then, the intereſt might immediately become principal, and carry the ſame rate of intereſt as the fund itſelf did, from the day at which each half yearly payment of the intereſt on the ſhares of the ſtock ſhould become due. It is alſo obvious, that in the event of the holders of ſhares, in the foreign fund, wiſhing to transfer their money to the home fund, the Governor-general and Council, and the Preſidents and Councils might be veſted with the power of

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transferring ſuch ſhares, and the certificates of the proper officers entitle the party to an equivalent ſtock in the fund at home. If it ſhould happen that transfers of this kind ſhould not be required by the holders of the foreign ſtock, the Governor-general in Council, or Preſidents in Council, might be empowered to transfer a part of the foreign to the home fund, by borrowing money in India, the lender of which ſhould be entitled, on the day of the loan, to a value in ſtock in the home fund, equal to the advance he had made in India; the price of the ſtock depending on the market price of the ſtock at home, on the day on which the transfer had been made abroad: by this means the party lending would be entitled to intereſt, as if a ſhare had been placed, in his name, on the books at home, on that particular day, it being eaſy to declare the intereſt on the ſums, ſo borrowed and transferred, to be payable at the ſame half-yearly periods as the intereſt of the funds in India. In the event of the Company being in a ſituation to redeem the whole of the ſums ſubſcribed abroad, or transferred to the home fund, they might be empowered to do ſo by inſtalments, of not leſs than a tenth part of the amount exiſting in both funds, upon giving three months public notice to the holders of ſhares, and paying up the intereſt to the day on which the ſtock is actually redeemed. It ought, in this caſe, to be underſtood, that the amount redeemed ſhould be equally divided among all the ſubſcribers, without preference. Such a meaſure would eſtabliſh an equilibrium in the credit of the Company in India and in Great Britain, in ſo far as regards the funded debt abroad and the debt transferred

CHAP. I. ferred home. The amount of the intereſt payable abroad would thus be leſſened by every exchange or transfer from India to Leadenhall Street. An eaſy mode would, by this meaſure, be opened of remittance to the Company's ſervants and Britiſh inhabitants in India, and, in general, to the European inhabitants in Hindooſtan, having intereſts or trade, of remitting their money to Europe, through a medium in itſelf more certain than poſſibly could be held out to them by the other European Companies, who neither have poſſeſſions nor trade, connected with revenues, in the Peninſula of India.

—or by enabling the Company to encreaſe their capital.

THE ſecond method of enabling the Company to diſcharge their debts, is to veſt them with power to encreaſe their capital to a certain ſpecified amount. To underſtand this plan, it is only neceſſary to advert to the amount of the debt abroad and at home, and to conſider whether this would not be the moſt effectual means of ſpeedily liquidating and diſcharging it.

FROM the Company's accounts it appears, that the debt in India in January, 1792, amounted to £.9,084,550, and the debt at home, including the transferred debt from India unto £. 10,601,069, that a ſurplus on the whole of the trade and revenues will remain, of £.739,241*, after diſcharging an-

* Eſtimate of the probable revenues and charges of India on a peace eſtabliſhment, reported to the Court of Directors by a Committee of Accounts, 15th February, 1793.

 nually

nually, £.500,000 of Indian debt, and after paying charges of cuftoms, freight, and of merchandize, dividends upon ftock, and every other burden at home. By the annual payment of £.500,000 the debt abroad would be rapidly (and perhaps more fo than the creditors would wifh) reduced to three millions, which fum, it would be eligible and convenient, fhould remain a debt in India. SECT. III.

AFTER alowing firft, a fum equal to the amount of the debt due by Government to the Company, leaving that to be fet off againft the annuity due, or that may be fold by the Company, and after leaving out the capital due by the Proprietors of India ftock, amounting to £.5,000,000, and fuch floating debts as occur in the common courfe of the Company's bufinefs, (becaufe a full equivalent for both of thefe will be found in the affets of the Company at home, afloat and abroad, amounting by laft ftatement to £.12,913,854, exclufive of the debts owing to the Company in India) the debt at home, including the debt transferred from India, would not exceed £.4,000,000. Taking this as the amount, and fuppofing that the Company would not think of reducing the amount of bonds in the market, lower than £.1,500,000, the debts for which provifion is to be made, would be £. 2,500,000. This debt may be fpeedily extinguifhed by enabling the Company to encreafe their capital ftock £.1,000,000; for, from the ftate of the furplus (as will appear in a fubfequent propofition) the Proprietors ought to have a dividend of ten inftead of

 eight

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eight per cent. on their capital; this would enable the Company, upon the encreafed capital of £.1,000,000 to raife £.2,000,000; becaufe the fubfcribers to this additional capital, whether they be the prefent Proprietors, or a new fet of Subfcribers, would receive the fame dividend with the Proprietors of the old ftock.

This laft the moft immediate means of difcharging the debts.

THIS method, therefore, of encreafing the capital feems to be preferable to that of funding the debt, becaufe it would more immediately produce the great end of a rapid liquidation and difcharge of the debt, and raife the Company's credit by an encreafe of the dividend upon their capital ftock.

3. Propofal to appropriate the revenues to the fupport of the Company's inveftment.

THIRD. It is propofed, to appropriate a fum to the fupport of the Company's inveftment. From the extenfive fale of Indian goods, this fum, including the fupplies to be fent to China, ought not to be lefs than a crore of rupees, or a million fterling annually, befides the amount which may arife from the fale of European goods. In this appropriation, the inveftment fhould be annually encreafed, (as there is little doubt but it may be) in the proportion that the debts in India are reduced, either by the liquidation of them there, or in Europe.

4. Propofal, appropriation of the furplus,

FOURTH. Having pointed out the mode of affeffing, collecting and appropriating the Indian revenues, upon the fuppofition of a permanent ftate of peace and of commercial

mercial exertion, a ſurplus may be expected to ariſe from the whole concern. From the preſent ſtate of affairs, as deduced from the Company's accounts, it appears, that after annually diſcharging £.500,000 of the Indian debt, and after paying charges of merchandize, dividends upon ſtock, and every other burden at home, there will remain a ſurplus of £.739,241, even taking the trade in an unfavourable light, and without bringing into the account the improvements, of which it is ſuſceptible, or the diminution of exiſting expenſes.

—to an increaſe of the dividend from 8 to 10 per cent,

IT is therefore propoſed, that the Proprietors ſhould have a dividend of 10 inſtead of 8 per cent. upon their capital; ſince on a retroſpective view of their affairs, 8 per cent. is rather leſs than the commercial dividend was, upon an average, before they obtained poſſeſſion of the territorial revenues. This encreaſe of the dividends is the more reaſonable, if we take into conſideration the many wars in which the Company have been engaged, and the riſks which their poſſeſſions and trade, and, of courſe, their capital has experienced.

—and to an annual participation of the reſidue with the Public,

IT is alſo propoſed, from the Public having a legal right to the territorial revenues which have been obtained in India by ceſſion or conqueſt; from the adminiſtration of the revenues being permitted to remain in the hands of the Company, without any ſurrender of the right of the nation to diſpoſe of them; from continuing the remittance

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of the furplus, through the medium of the Eaft-India Company; and from the advantages which the trade has received by the Commutation Act, that an annual participation of not lefs than £.500,000 of the furplus (if that fum fhould remain after anfwering the other claims) fhould be made with the nation.

—increafe of furplus to be the Company's.

WHATEVER further furplus may accrue, from an improved ftate of the revenues and of the trade, ought to be appropriated as a fecurity to the Proprietors for their capital ftock; if, from any accident or unforefeen calamity, either the capital itfelf fhould be affected, or if there fhould not be means of keeping up the dividend on the capital to the amount above fpecified. This will tend to preferve the credit of the Company's ftock, and protect the Proprietors from the danger, which the uninformed and unwary among them might be expofed to, by any fudden or unexplained fluctuation in the price.

Contingencies upon which all thefe appropriations may depend.

UPON taking a general view of the financial power required for our Indian dominions, in connexion with the trade of the Eaft-India Company, it will be readily admitted, on leaving thefe propofitions for confideration, that though it is not difficult to difcover the foundations upon which this financial power muft reft, yet it is impoffible to forefee the thoufand contingencies upon which the appropriations may depend. On the progrefs, for example, of agriculture, arts and commerce in India; on the permanence

nence of peace in India; on the rapid or flow liquidation of the debt of the Company; and on the military or civil charges in our old or in our new dominions. Let events, however, happen as they may, fince they cannot alter the principles upon which a plan of government for our Afiatic dominions muft reft; neither can they, the character of the financial power required to make that government practicable in India, or productive in Britain. SECT. III.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

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SECT. IV.

OF THE MILITARY POWER REQUIRED UNDER THE PRECEDING PLAN OF GOVERNMENT.

CONTENTS.

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it muſt accord with the Government required to ſecure the Allegiance of the Natives.---Hiſtorical Sketch of the Eaſt-India Army and Marine. Opinion of Lord Clive, after he had new-modelled the Army. Conſtitution of it on the Eſtabliſhment of the territorial Power of the Company.---Changes which have taken Place in the European and Sepoy Corps ſince that Period.---State of the Military Eſtabliſhments in India, at the Concluſion of the War, 1783-4.----*State of the Military Eſtabliſhments in India at the opening of the late War.---Eſtimate of the Military Charges at this Period.----Deficiencies in the Company's Armies,----in point of Recruits,----in the Diſcipline of the European Corps,----in the Confuſion which has ariſen in adjuſting the reſpective Ranks of the King's and Company's Troops.---The Arrangement of the Military Power, to be a Subject of future Conſideration.---Suggeſtions on this Subject.---1ſt Suggeſtion. The Indian Army to be an Eſtabliſhment diſtinct from the Britiſh.---2d Suggeſtion. The Appointment of the Commanders in Chief to remain with the Company.---3d Suggeſtion. General Army Promotion to continue by Seniority.---4th Suggeſtion. The Appointment of Cadets to be in the Court of Directors.---5th Suggeſtion. The Company to have the ſame Privilege of recruiting as the King's Army.----6th Suggeſtion. Proportion of Recruits required annually.----7th Suggeſtion. Diſtribution and Subordination of the Company's Marine.---8th Suggeſtion. Code of Military Regulations for India.---General Inference from the Whole of this Military Syſtem.*

THE

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THE military power in every government signifies that force which the Sovereign employs to defend his dominions from the attacks or encroachments of neighbouring nations, or which he directs to aid the magistrate in carrying into effect the laws, by which the rights and privileges of his subjects are maintained and protected.

Nature and objects of the military power.

IN an absolute government, both the constitution of the military power, and the rank of those who are to exercise it are easily defined and understood. The Sovereign here forms an army to be the instrument by which he is to render his government efficient, and, of course, he assigns to it the first and most honorable rank among his subjects. Of this kind was the military power of the Moguls on their first establishment in Hindoostan, and during the period of their empire; under them the Vizier or first Minister could assume the command of the army, or he could entrust this command to the Buxshi, who (properly speaking) was a military officer only. Under this arrangement it frequently happened that adventurers from Persia, Afghanistan and Tartary, and sometimes from among the

In Hindoostan, it was coincident with the nature of the Mogul government;

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Mahomedan inhabitants of India, had a rapid promotion in the army, and had provinces allotted to them, of which they ſometimes became the Soubahdars. During the vigor of the empire, theſe officers were removable at the pleaſure of the Sovereign, but as its fall approached and the energy of the adminiſtration at Delhi became enfeebled, the Governors of provinces began to attach the army to their particular views and intereſts, paid them by illegal extortions from the inhabitants, and thus paved the way for uſurpation and a declaration of independent power. Events of this kind, more than any other cauſe, contributed to the fall of the government; for the moment the military power in an abſolute monarchy begins to have any ſource, but in the Sovereign, his authority is haſtening on to its decline and extinction.

—in governments like Britain, it is difficult to conſtitute it, as it becomes a ſubject of political jealouſy;

In free and well regulated governments, the conſtitution of the military power is ſubject to none of theſe contingencies, becauſe thoſe who exerciſe it neither hold the firſt rank among the ſubjects, nor have opportunities of rendering their authority dangerous. The military is here ſubordinate to the civil power, and the army a perpetual ſubject of jealouſy and of political reſtraint. Out of theſe circumſtances has ariſen, in every free government, the difficulty of rendering the military power equal to all the purpoſes of defence, and, at the ſame time, of giving to it an energy and a conſiſtent arrangement.

It

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It is a military power of this laſt deſcription, which, after the experience of a century, has been eſtabliſhed in Great Britain, and it has required all the wiſdom of the Legiſlature to define it in ſuch a manner that it ſhould not become dangerous to the ſubject, and yet ſhould be equal to all the purpoſes of defence againſt domeſtic commotions or foreign enemies.

—in India it muſt accord with the government required to ſecure the allegiance of the natives.

It may eaſily be ſuppoſed, under ſuch circumſtances, that much difficulty will be experienced in forming a military power, ſuited to our Aſiatic dominions. This difficulty ariſes from our notions of a military power in Britain, being different from the character it muſt poſſeſs in India; that ſuch a power, however, muſt be eſtabliſhed in India, is obvious; that it muſt accord with the government required for the natives and with the judicial and financial powers in that government, will readily be admitted. That it will require the fulleſt deliberation of Parliament to give to it all its requiſite characters, and yet to accommodate it to the ſpirit of the Britiſh conſtitution, is not leſs certain; it muſt conſiſt of an army and a marine, equal to the exigencies of war in India, whether againſt native States and Princes, or againſt European nations having intereſts or trade in the Eaſt, and to the vigorous ſupport of the civil and commercial eſtabliſhments; it muſt be formed in ſuch a manner as not to throw an unconſtitutional weight into the executive or legiſlative branches of the conſtitution; and it muſt be arranged upon principles ſo ſimple and defined, as to prevent jealouſies either reſpecting rank or emo-

 luments

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Upon the moft general view of thefe requifites, in the conftitution and character of a military power in India, it muft appear to every impartial judge, to be that branch in the plan for the future government of our Afiatic dominions, upon which men will be moft apt to form oppofite opinions. The Company will naturally prefer the military power which has eventually grown up under their administration, and procured its Afiatic dominions to Great Britain; and argue that it is experimentally the beft. The ftate will look back to the exertions which have been made, in a fucceffion of wars, in fupporting the Company with armies and with fleets; and, from the public confidence to which both are entitled, confider that the military force ought, conftitutionally, to be placed under the controul of the executive government. The officers of the Company's armies will with reafon think, after they have devoted their lives to a fervice of the moft material importance to their country, and weathered all the dangers to which an unfriendly climate and hard fervice have expofed them, that both from their acquired knowledge of their duty, and well-earned fame, they are entitled to the gratitude of their mafters, and to participate in the rank and honors which may be affigned to the Britifh military eftablifhment in India.

Under

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Hiſtorical ſketch of the Eaſt-India army and marine.

UNDER ſuch oppoſite, but equally reaſonable expectations, it is impoſſible that the Legiſlature or the Public can come to a deciſion, by any other means than by reviewing the facts in the intereſting Military Hiſtory of Great Britain in India.

THE London Eaſt-India Company when they firſt eſtabliſhed their factories or ſeats of trade, found it neceſſary to ſend out military force to protect their civil ſervants from European depredators, as well as to guard their property from the violence and avarice of the country powers. The number of theſe guards of factories were gradually encreaſed, and the power of ſubjecting them to military diſcipline and law confered upon the Company by ſucceſſive grants and charters. The ſtate was convinced, at an early period in the Company's progreſs, that the mercantile plan of purchaſe and ſale, without a force to protect the merchandize, would be unintelligible to the natives; and that the trade to the Eaſt-Indies muſt be relinquiſhed, unleſs the ſeats of it could be protected. A power was accordingly given to the Eaſt-India Company to exerciſe martial as well as civil law within their limits. The ſtate was alſo ſatisfied, that it muſt authorize the Company to purchaſe from the Moguls or their officers, permiſſion to fortify the ſeats of their trade, and to defend the circumjacent diſtricts which furniſhed proviſions to their ſervants. Hence the ſource of the powers of the Company to make war or peace with the country powers, to eſtabliſh a marine, to embody an army, and by it to ſecond their commercial enterprizes.

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The London Company had to ſtruggle not only with the power of other European companies, and to ward off the attacks of the native powers; but it had alſo to reſiſt the interlopers who, under the authority of licences from the crown, were endangering almoſt the exiſtence of the trade. It may eaſily be ſuppoſed, that the Company's garriſons, at this juncture, would be compoſed of the very dregs of the people, and be commanded by officers who neither had knowledge ſufficient to diſcipline ſoldiers, nor the feelings of honor eſſential to the military character. Henoe, even at Bombay (the principal ſeat of the Company's ancient military power) nothing but the ſenſe of ſafety kept the troops to their duty. In ſeveral inſtances, they were as ready to join the interlopers, as to ſupport the maſters to whom they had taken the oath of fidelity. The marine of the Company, at that ſettlement, from an imitation of the diſcipline in the Britiſh navy, was better conſtituted than the army, and of more eſſential ſervice; though ſtill it was not equal to the wars in which this preſidency were involved. Hence the aſſiſtance of the King's ſhips became neceſſary in the expedition againſt the pirate Angria, and in that for obtaining the Tanka of Surat; and this, even, after the commencement of the war which terminated in the acquiſition of our territories.

The troops which the Company kept at Calcutta, as well as the marine on that ſtation, were inferior to thoſe of Bombay; for it was not till France had begun to carry into effect its ambitious ſcheme of becoming an Indian power

on

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on the coaſt of Coromandel, and had ſet the example of embodying regiments of natives, to be commanded by European officers, that the Company thought of forming either military or naval eſtabliſhments equal to the defence of their ſettlements.

Opinion of Lord Clive. after he had new modelled the army.

SUCH were the events and circumſtances which firſt led the Company to encreaſe their European and Native troops, and to procure for them the privilege of ſharing in the booty or prizes taken in war, in common with His Majeſty's navy and forces, by which they had been aſſiſted. A ſhort time, and brilliant ſucceſſes, enabled the Company to ſupport military eſtabliſhments, proportioned to the ſervices required in their new dominions; and led Lord Clive to the compariſon, "that formerly the Company's troops "conſiſted of the refuſe of our gaols, commanded by an "officer ſeldom above the rank of lieutenant, and but in "one or two inſtances with that of major; without order, "diſcipline, or military ardor: that now" (meaning the period after our acquiſitions in Bengal and on the Coromandel coaſt) "the Company's armies were equal to thoſe "of any European monarch, in number, diſcipline, and "ſkill."*

Conſtitution of it, on the eſtabliſhment of the territorial power of the Company.

IT becomes, therefore, neceſſary, to ſtate the circumſtances which marked the formation of our Indian army, which, with thoſe that led to the eſtabliſhment of the Company's

* MS. in the poſſeſſion of the Right Hon. Henry Dundas.

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Changes which have taken place in the European and Sepoy corps, fince that period.

IT was impoffible that this force could be compofed entirely of Europeans, though both the Company and Government, at that period, were of opinion, that a body of them fufficient to lead on and to encourage the Sepoy corps, was required from the nature of the fervice. Hence the permiffion which the ftate gave after the peace 1748, and the peace 1763, to the foldiers of the King's regiments returning from India, to enlift in the Company's fervice; and

3 hence

hence the encouragements which were held out to the King's officers to accept of commiſſions in the Company's armies and marine*. European regiments, of conſequence, were formed in each of the Preſidencies, and a ſtill larger proportion of Sepoy battalions embodied, to be diſciplined and commanded by European officers. No diſtinction, however, was introduced between the officers of the European regiments and the European officers of the Sepoy battalions; on the contrary, the cadet was placed in either, as a vacancy upon his arrival required his ſervice. His rank went on in the army by ſeniority, and his promotion was made as vacancies happened in the rank to which he was entitled. By theſe means an officer often paſſed from the command of a Sepoy to that of an European battalion, and from his habits and knowledge of the language of the country, as well as of the routine of the ſervice, was equally fitted for either ſtation.

It is here to be adverted to, that though the European officers diſciplined and commanded the Sepoy battalions, theſe corps had alſo their native officers, accountable to the European Commander, for the conduct of the ſoldiers under them. Hence, when any crime was committed by a Sepoy ſoldier, he was tried by the military law, in preſence of the native officer, to whom was aſſigned the infliction of the puniſhment he had deſerved. It was by this meaſure, as well as by the ſenſe of intereſt, that the Sepoy corps became

* Company's correſpondence at both of theſe periods.

 attached

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attached to a ſervice, in which a proper regard was paid to the prejudices and peculiarities enjoined by their uſages and religions. Attention was alſo given to excite emulation among them, as well as dependence on the European officer, by having one-half of the battalion compoſed of Hindoos, and the other half of Mahomedans.

The regular ſupply of cadets from Europe, and the wiſe inſtitution of Lord Clive, of giving to each battalion its proper proportion of field officers, and of forming the military force, in each ſettlement, into one or more brigades with their proportion of field officers, in a ſhort time produced a very material change upon the diſcipline of the Sepoy corps, and upon the ſentiments of the officers with reſpect to the command of them. It now became an object not only of ambition, but of intereſt, to be removed from the command of an European regiment to that of a Sepoy battalion, till in later times it has been a rule of the ſervice, for the youngeſt officers entitled to command a battalion, to have the European corps aſſigned to them. This circumſtance had the effect of giving to the Sepoy corps the oldeſt and moſt experienced officers; men who had conducted a variety of expeditions, and who united in their characters the habits of military obedience, as well as the capacity to command. It had alſo the effect of rendering the Sepoy battalions equal, if not ſuperior to the European, in diſcipline and in military ardor, illuſtrating thus the maxim, in the art of modern war, that diſcipline will make men, in every ſituation, capable of acquiring excellence in it. Nor has the fact been found contrary to this theory; ſince one Sepoy

corps

corps croſſed the Continent of India, while the Bombay army, with its proportion of Europeans, were unable to reſiſt the Mahrattah power; and another had the ſteady diſcipline to receive on their bayonets and to diſperſe the French infantry at Cuddalore. So great were the exigencies of the ſervice, during this war, that the Governor-general and Council were obliged to have recourſe to the dangerous expedient of forming a native corps of artillery, whoſe ſervices, in the celebrated expedition of General Goddard, were publicly acknowledged and rewarded.*

Such have been the circumſtances which have marked the riſe and progreſs of the Company's military eſtabliſhments down to the concluſion of the war 1784.

State of the military eſtabliſhments in India, at the concluſion of the war, 1783-4.

At the end of this war, the Bengal eſtabliſhment conſiſted of a regiment of artillery, of 1000 privates, and 85 officers, with an independent corps of native artillery compoſed of two hundred Golandauze; each of the battalions (into which this regiment was divided) had their proportion of Laſcars †. On the Bengal eſtabliſhment alſo, was a corps of engineers, conſiſting of fourteen officers, three regiments of European infantry, conſiſting of 1000 men each, with 77 officers, making in the whole 3531 effective men. Upon this eſtabliſhment alſo, were 36 regiments of native infantry, and one of light infantry, each compoſed of 1050 men, with

* The non commiſſioned officers and privates of this corps, upon their return to Bengal, had ſilver medals preſented to them by the government, and lands aſſigned them as a retreat.

† The Laſcars ſerving with the artillery as a body of natives, trained to take the laborious parts of this duty. At the concluſion of the war, they amounted to about 5000, but are not included in the ſubſequent returns of the army.

13 officers

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At the ſame period, the Madras eſtabliſhment conſiſted of a battalion of European artillery, compoſed of 66 officers and 800 privates, with the proportion of Laſcars. A corps of European engineers of 14 officers, two regiments of European infantry, having 67 officers and 1134 privates each, making together 134 officers and 2268 privates. A troop of cavalry of three officers and 58 privates; 29 battalions of native infantry, conſiſting of 11 officers, 87 non-commiſſioned officers (Europeans) each, with 908 natives. A battalion of light infantry, with the ſame number of European officers, and 782 natives, making in the whole 540

Europeans

Europeans and 27140 natives; to this force may be added, 23 independent companies, with 23 officers and 23 non-commiſſioned European officers each, and 1794 natives; ſix battalions of Sibbendy corps, compoſed of 24 officers and 120 non-commiſſioned officers (Europeans), and 6000 natives; a militia with two officers and 15 non-commiſſioned officers (Europeans) and 2151 natives. The regular Madras eſtabliſhment, thus, was compoſed of 596 officers 3494 non-commiſſioned and private Europeans, and 37085 natives*. At the ſame period, the Bombay eſtabliſhment conſiſted of one battalion of European artillery, of 34 officers and 416 privates, with its proportion of Laſcars; a corps of engineers compoſed of 13 officers; one battalion of European infantry, comprehending 78 officers and 1448 men, 16 battalions of native infantry, each conſiſting of 7 officers, 11 non-commiſſioned officers (Europeans) and 854 natives, making 112 officers, 176 non-commiſſioned officers, and 13,664 natives; one battalion of native Portugueſe, compoſed of 6 European officers, and 465 natives; to this force may be added, a corps of irregulars, at Tellicherry, amounting to about 267 natives. The Bombay eſtabliſhment at this juncture (1782) thus, amounted to 243 officers, 2040 non-commiſſioned and private Europeans, and 14396 natives.

SECT. IV.

* Though ſuch was the regular Madras eſtabliſhment in 1782, there was, during the war, an additional force of four regiments of cavalry, taken from the Nabob's into the Company's pay; a battalion of native infantry was likewiſe raiſed, during that period, conſiſting of eleven officers, eleven non-commiſſioned officers, Europeans, and eight hundred Natives.

reiterat.

CHAP. I.

The whole of the Company's military eſtabliſhment, then, at the concluſion of this war, may be calculated at 112628 men, to which, if His Majeſty's troops, then ſerving in India, ſhall be added, the whole of the Britiſh force, ſerving in India, may be calculated at 124000 men.

The expenſes of ſupporting ſuch a force (if an allowance ſhall be made for the batta, or double pay, given to the troops in the field) with the charges for the King's troops, may be calculated at about £.4,000,000 per annum.

This will appear from the following return of the army for 1782:

	Europeans.		Natives.		
	Officers.	Privates.	Privates.	Total.	Calculated Expenſes.
Bengal -	938	4,446	49,390	54,774	£. 1,945,514
Madras -	596	3,494	37,085	41,175	531,192
Bombay	243	2,040	14,396	16,679	255,490
	1,777	9,980	100,871	112,628	£. 2,732,196

To this force may be added, ten of His Majeſty's regiments ſent out from Great Britain and Ireland to India, in the courſe of the war, and two Hanoverian regiments, the eſtabliſhment of which amounted to 9024 Britiſh
2164 Hanoverian

11,188*

* This eſtimate is excluſive of officers.

The

SECT. IV.

THE total of the military expenſes in 1782-3 appear, from the accounts laid before Parliament, to have amounted to £.4,000,000 ſterling per annum.

£ 4,0
25
100,0,

THOUGH peace was reſtored in 1784, and it was neceſſary to keep up a reſpectable force in India, it became expedient, for the purpoſe of reducing the expenſes, to new model the whole of the military expenſes.

State of the military eſtabliſhment in India, at the opening of the late war.

BEFORE mentioning the returns of the army in 1788-9, or the amount of the expenſes, will be proper to recollect the ſtate of Europe, at this juncture. The defence of our Aſiatic poſſeſſions required a reinforcement of four regiments of foot. Upon their arrival in India the King's troops amounted to nine regiments of foot, and one of cavalry, conſiſting in the whole of 387 officers, 56 ſtaff, and 7602 non-commiſſioned officers and privates. Theſe troops were not allotted to any particular ſettlement, but intended for ſuch general ſervices, as might be required from them. The regiment of cavalry and ſix regiments of infantry were continued at Madras; a circumſtance which enabled that preſidency to reduce their native infantry from 36 to 30 battalions; two regiments were ſtationed at Bombay, and one at Bengal. The general ſtate of the military force in India in 1788-9, will appear in the following return of the army:

CHAP. I.

BENGAL.

	EUROPEANS.			NATIVES.
	Officers.	Staff.	Non-Commissioned and Privates.	
Artillery, 3 battalions	81	12	1,110	
European Infantry, 6 battalions - - -	162	30	3,696	
Engineers - - - -	22			
Native Cavalry, 2 regiments - - - -	8	2	2	468
Native Infantry, 36 battalions - - - -	336	72	288	23,040
	609	116	5,096	23,508

MADRAS.

	Officers.	Staff.	Non-Commissioned and Privates.	Natives.
Artillery, 2 battalions	54	8	740	
European Infantry, 2 ditto	108	20	2,464	
Engineers - - - -	22			
Native Cavalry, 5 regiments - - - -	35	15	30	2,460
Native Infantry, 30 battalions - - - -	280	60	240	19,200
	499	103	3,474	21,660

BOMBAY.

SECT. IV.

BOMBAY.

	Europeans. Officers.	Staff.	Non-Commiſſioned and Privates.	Natives.	
Artillery, 1 battalion	27	4	370		
Engineers - - - -	12				
European Infantry, 2 battalions - - -	54	10	1,232		
Native Infantry, 12 battalions - - - -	112	24	96	7,680	
	205	38	1,698	7,680	Total.
Total Company's troops	1,313	257	10,268	52,848	64,686
Total King's troops -	387	56	7,602		8,045
	1,700	313	17,870	52,848	72,731
Total Europeans - -		19,883			

Upon the approach of the late war with Tippoo Sultan, it became neceſſary to make additions both to the King's and to the Company's troops. One troop was added to the King's regiment of Cavalry, and two companies to each of the regiments of Infantry. A detachment alſo of the Royal Artillery was ſent out, under a field officer, conſiſting of 245 effective men. By theſe additions, the number of King's troops ſerving in India, was about 10721. For the ſame reaſon the Company were obliged to encreaſe their Sepoy corps from eight to ten companies in each regiment, which has made an addition of about 12870 effectives.

 The

CHAP. I.

Eſtimate of the millitary charges at this period.

The charges of ſo large a military eſtabliſhment, agreeably to the ſtatement laid before Parliament in 1788-9 (including military contingencies and the expenſe of invalids, &c.), might amount to about £.3,000,000 per annum. In this charge, however, the expenſes of the King's troops are included as the Company have defrayed the charges of thoſe ſent out ſince the late war, and paid to the Crown 2 lacs of rupees or (at 2*s.* 1*d.*) £.20,833 for every regiment of 1000 men. The Company alſo defray the contingencies.

Deficiencies in the Company's armies;

Upon a general view of ſo large a military force in India, it certainly might be deemed equal to the purpoſes of protecting the Britiſh ſettlements from the attacks of the European or of the native powers, as well as for thoſe of ſupporting the government in the different Preſidencies. Several embarraſſing circumſtances, however, have occurred, both during the war and ſince the peace 1784, which have experimentally proved, that the military arrangements in India are deficient, and that they require amendment and reform.

—in point of recruits,

It has, in the firſt place, been found, that the European corps in the Company's ſervice have been deficient both in men and in diſcipline, and ſcarcely fitted for any but garriſon duty. The ſource of the deficiency requires to be explained.

The Company have hitherto been precluded from recruiting with the ſame advantages which the King's troops

 enjoy;

SECT. IV.

enjoy; and, at a great expenſe, have been compelled to ſeek their men from the refuſe of the capital and of jails, or to accept of deſerters from the King's regiments. Neither in morals nor in conſtitution could ſuch men be ſuppoſed qualified for military ſervice, much leſs for one in a climate which requires youth and vigour to habituate the European to its varieties.

—in the diſcipline of the European corps,

In the ſecond place it has been found, that the moſt experienced officers, in the Company's ſervice, have been promoted to the command of the Sepoy corps, inſtead of being attached to the European regiments. If, originally, the command of an European battalion was the object of ambition to the Company's officer, now, that of a Sepoy regiment attracts his wiſhes: in this ſituation, he knows, that he has the beſt chance to obtain a ſeparate command, as well as the faireſt proſpect of acquiring a fortune. When a vacancy, therefore, takes place in a Sepoy battalion, it is filled up by the oldeſt officer commanding an European regiment; and the officer promoted, from the inferior rank, takes his place. Hence the reaſon why Lord Cornwallis found, "that the European regiments were inferior in diſcipline to the Sepoy corps." The embarraſſment already referred to, under which the Company are placed in recruiting, ſufficiently explains the difficulties which they have experienced in finding a ſufficient number of ſerviceable men. Both of theſe circumſtances may be illuſtrated by his Lordſhip's report of the artillery, which he pronounced "to be equal to any in Europe." From this regiment the

 officer

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officer has no opportunity of ſhifting to a Sepoy battalion; of courſe, his attention is fixed on the diſcipline of his own corps only. This regiment has, beſides, a choice from all the recruits which arrive from Europe, leaving the refuſe to the infantry battalions. It would, therefore, be harſh to lay the blame of a deficiency in the European infantry, upon the Company, when the circumſtances are explained, that the moſt experienced officers, in the line of their ſervice, are promoted to the Sepoy regiments, and that under the reſtraints of recruiting in Europe, it is impracticable for them always to find ſerviceable men.

—in the confuſion which has ariſen in adjuſting the reſpective ranks of the King's and Company's troops.

In the third place it has been found, that jealouſies of a dangerous kind have ſubſiſted between the King's troops, ſerving in India, and thoſe of the Company. The King's officers have complained, that the Company's regiments were better paid than they were, and that all the profitable ſtations had been aſſigned to them. The Company's officers have complained, that the King's, though they had only ſerved, in many inſtances, for two, three, or four years, yet, from their rank, were placed over them, after a ſervice of twenty or thirty years, and with local knowledge, of which it was impoſſible the King's officers could be poſſeſſed; that it was a well kown fact, to the Generals who had led the Company's armies to victory, that the Company's armies, particularly thoſe on the Bengal eſtabliſhment, were familiar, from long habits and ſervice, with the languages, the uſages, and the prejudices of the Sepoys, whether Mahomedans or Hindoos; that theſe circumſtances had induced the

the natives to follow them over all the countries of India, in which they had diſtinguiſhed themſelves by a zeal and a fidelity as honorable to the commander as to the ſoldier; and that this was an important and a public end, which a ſtranger, however inſtructed or able in the military art, neither could hope for nor command.

Such are the circumſtances under which the military power in India is placed. On reviewing them, Parliament may experience difficulties in introducing an arrangement which on the one hand, ſhall be ſuited to the preſervation and protection of dominions almoſt encircling the peninſula of India and extending over the richeſt provinces in its center; and on the other, which ſhall, by its character, neither add unconſtitutional weight to any of the branches of the government at home, nor excite in an army compoſed of ſuch diverſified orders of men jealouſy or oppoſition of each others intereſts.

The arrangement of the military power to be a ſucject of future conſideration.

It may be expedient under all the exiſting circumſtances, that the final arrangement of the Indian army ſhould remain as a ſubject for future diſcuſſion. For this delay there is a precedent in the Hiſtory of the Britiſh Military Power in India. It was not till the return of Lord Clive and of General Laurence (and they were the officers who firſt formed the army and acquired our dominions) that the Court of Directors gave the preſent arrangement to the military eſtabliſhments of the Company.—Lord Cornwallis,

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who has brought the Indian army to its preſent improved ſtate, and conſolidated that empire of which Lord Clive laid the foundations, merits the like attention from the Directors and the Legiſlature; even if the difficulty of fixing this important part of the Indian ſyſtem, did not call for his talents and experience.

It may be proper, however, upon renewing the Company's charter, that the Legiſlature ſhould have as ſubjects for their conſideration the ſuggeſtions which have, from time to time, been afforded by his Lordſhip, and the officers who have diſtinguiſhed themſelves in the late ſucceſsful war.

First ſuggeſtion. The Indian army to be an eſtabliſhment diſtinct from the Britiſh.

First. It has been ſuggeſted, that the whole army, European and Native, ſhould be declared to be a foreign eſtabliſhment, diſtinct from the Britiſh; and that it ſhould conſiſt, as at preſent, of the Bengal, Madras, and Bombay departments. That each of theſe departments ſhould be compoſed of European and Sepoy branches: the European branch, in the Bengal and Madras preſidencies, ſhould conſiſt of cavalry numbered 1ſt, 2d, &c. regiment, with a ſimilar corps for Bombay (if cavalry ſhall be required to defend our new dominions on the Malabar coaſt) of European infantry numbered 1ſt, 2d, &c. regiments; of a regiment of European artillery, for each preſidency, comprehending one or more battalions, in proportion to the number of troops required for the protection of each ſettlement, and of a diſtinct corps of engineers for each. That

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the

the Sepoy branch ſhould conſiſt, in the ſame manner, of regiments of cavalry and of infantry, proportioned to the extent of the territories, and to the nature of the ſervice in each preſidency. That the army, on each eſtabliſhment, ſhould continue to be ſubdivided into brigades, with their requiſite field officers. SECT. IV.

In illuſtration of theſe opinions, it has been thought, that a complete ſeparation muſt be made between the Indian eſtabliſhment and that of Great Britain; and that this ſeparation ſhould be complete, in the military ſenſe of the word; that is, the officer belonging to the Britiſh army, ſhould not be allowed to exchange his rank, or be entitled to promotion in the Indian, and *vice verſa*. Though this may appear to be a hardſhip, it has become abſolutely neceſſary; becauſe it will prevent an unconſtitutional augmentation of the military eſtabliſhment at home, and fix the Indian army in that ſtation where its ſervices are required; becauſe the revenues of India ſhould be ſpecifically appropriated to the ſupport of the force which is to protect and defend India; and becauſe it will give a proper encouragement to men who have devoted their lives to a foreign ſervice and experienced the dangers incident to ſoldiers in a trying climate. The very nature of the Indian ſervice, indeed, requires that this ſeparation ſhould be confirmed; otherwiſe exchanges might take place, between the officers of the Britiſh and Indian army, totally incompatible with the good of this laſt ſervice. When an

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Indian officer had acquired a fortune, he would be diſpoſed to return to Europe and to exchange with a Britiſh officer. By ſuch a traffic, men who had ruined their circumſtances or conſtitutions in Europe, and who muſt be ſtrangers to an Indian campaign, would have an opportunity to acquire a rank in that army, and ſupercede or ſtop the promotion of thoſe whoſe conſtitutions had become naturalized to the country,. To this private might probably be added a public evil: ſince theſe exchanges would generally be made by Britiſh officers with field rank, who neither in conſtitution nor military habits could be qualified for the important commands to which this rank would entitle them in India.

Second ſuggeſtion. The appointment of the commanders in chief to remain with the Company.

SECOND. It has been ſuggeſted, that the Commanders in chief whether they ſhall, at the ſame time, be the Governors or not, ſhould, as at preſent, be in the nomination and appointment of the Directors, acting in concert with the executive power, more particularly as His Majeſty is legally veſted with the power of recalling them. The reaſons offered to ſupport this ſuggeſtion are, that the Directors having the territories, under the control of the Commiſſioners for the affairs of India, entruſted to them, ought to have a ſelection of officers, who from capacity and ſervice, may be qualified for theſe important ſtations. Promotion to a firſt command, by ſeniority alone, might often be inconſiſtent with the public ſervice, and, in many caſes repugnant to the exertion and ambition ſo eſſential in the military character.

THIRD.

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Third suggestion. General army promotion to continue by seniority.

THIRD. It has been suggested, that general promotion by senioriy, should continue in the army, but under certain modifications. Seniority, perhaps, is the only line practicable in an army, removed at so great a distance from the seat of sovereignty, as India is from Britain, and serving in a climate where every encouragement, particularly that of certain promotion, is required. At the same time, this principle will require to be modified in its application. It has been recommended, that the commanders in chief, on the spot, who are the best judges of claims for promotion, should be vested with the power of selecting officers, entitled by their rank and character to secondary commands.

Fourth suggestion. The appointment of cadets to be in the Court of Directors.

FOURTH. It has been suggested, that the nomination of the cadets for the army should continue in the Directors; that the date of a cadet's appointment should decide his rank in the service. As, however, upon military superiority the safety and prosperity of our Indian possessions and trade must depend, it has been thought, that the Court should be limitted in their choice of the cadets for the artillery and engineer corps, either to such young men as have been trained in the Royal Academy at Woolwich, or to such as may subject themselves to an examination by it, before their appointments can be held as complete. And it has been recommended that the Commander in Chief and the Military Boards, at each Presidency, should be empowered to select such of the cadets for the European or Sepoy service, as they may deem the best qualified, to fill up vacancies

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in either; but that being attached to one of these corps, the cadet ought to continue in them as long as the regular line of promotion will admit.

Fifth suggestion. The Company to have the same privilege of recruiting, as the King's army.

FIFTH. It has been suggested, that the difficulty under which the East-India Company (since the first establishment of their army) have been placed in raising recruits, should be removed and done away. However much Government has been disposed to encourage the recruiting service of the Company, the measures which have been devised have been found ineffectual. By the separation of the Indian European army from the British army, the recruiting orders for the former might, as for the latter, be immediately issued by the King's authority. The recruiting officer would thus be entitled to enlist men from all the British European dominions, and to have them attested before a magistrate in a legal and public manner.

UPON this subject, different plans have been thought of, with the general object of conferring this necessary privilege on the Company, and yet rendering it neither an inconveniency to the Public, nor the means of draining the British dominions of useful inhabitants. These plans have had specific objects: some of them have had in view to aid the police, by employing such useless and dangerous persons as have been found disturbing the public peace: others of them, for relieving the Public of such persons as for petty crimes may have exposed themselves to punishments, which though necessary for the good of the community, yet are not, in

in many cafes, proportioned to their crimes. In both of thefe plans the general intention has been merciful, from their agreeing in refcuing from punifhment youth, who, without parents or refource of any kind, may have become immoral from neceffity, or vicious from imitation.

Upon this fubject, it might be expedient that the age of a recruit fhould be fixed, in time of peace, from 12 to 22. The age from 12 to 15, however, ought to be the general rule. At this period the conftitution is in that ftage when the difeafes that originate in vice can fcarcely be fuppofed to have debilitated it; and even fuppofing the health to be partially impaired, when it may, in almoft every cafe, be reftored. The conftitution befides, at this period, will eafily accommodate itfelf to the varieties of climate; for the practice of labor of any kind has not as yet given to it that caft, the turning from which commonly brings on putrid difeafes. It is a known fact, that the deaths which happen among the motley affemblage of recruits fent out by the Company, chiefly take place among thofe who either have lived long in the habits of vice, or who having been habituated to a trade of a fedentary kind, fuffer, from the hardfhips incident to a foldier's duty.

It might alfo be expedient, that a depôt for the recruits deftined for the Indian fervice, fhould be allowed to the Company, and placed under the direction of officers who had ferved in India (not invalided officers, who will naturally come on half pay) and who having come home to Europe

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for the recovery of their health, might continue to receive their emoluments, and in return, train men for a ſervice to which they are themſelves to lead them. At this place offers might be held out to indigent and helpleſs youth, of a comfortable ſubſiſtence and of honorable employment. Circumſtances which would produce the immediate effect of drawing to it the thouſands of deſtitute young men that ſwarm in the capital and in all our large towns. To ſuch an aſylum they would reſort with the conſent of their parents, or if they had none, would ſeek refuge in it, of their own choice. It perhaps might not be improper to give ſuch powers, as the law will allow, to magiſtrates and juſtices of the peace (or under the late police eſtabliſhment in London and Weſtminſter to the juſtices of police) to offer this retreat to boys of the preceding age and deſcription, who being too young to become proper objects of puniſhment, for the petty irregularities to which their indigence may have expoſed them, might thus be rendered uſeful ſubjects to their country. The very circumſtance of the infamy attached to their puniſhment being removed, by their being blended with others in a ſervice of credit, would have its effect, in recommending it to their choice, and could not fail of bringing numbers to embrace it; nor could they in the ſituation now ſuggeſted, have opportunities of returning to their former courſe of life.

It

It might alſo be expedient, that proper maſters ſhould be appointed at the depôt, to inſtruct them in thoſe branches of education which carry a ſoldier up to be a non-commiſſioned officer; that they ſhould be taught, on their arrival at the depôt, the military exerciſes and be accuſtomed to the ordinary regimental duties in the army; and it might be a general rule, when the demands in India would admit of it, that the recruit ſhould remain for the ſpace of one year in England, before his embarkation; this time and that required for his paſſage to India would fit him for immediate ſervice, and of conſequence render the army in that country conſtantly effective*.

One of the great objections which may be made to an open recruiting privilege, for the Indian army, will ariſe from its interference with the recruiting ſervice for the Britiſh army; but, in the firſt place, the age at which it is propoſed to take the recruits for India, is, upon the whole, below that which qualifies a recruit for the home army; in the next place, in the time of peace, there will always be a ſufficient number of this deſcription to ſupply the Indian army; and, in the laſt place, in the time of war in Europe, it might be made lawful for the Company to procure ſuch Swiſs, German, or other foreigners for the Indian depôt, of the ſpecified age, as could be obtained by a communication with the Continent, where the Britiſh ſervice and pay would at all times attract a ſufficient number.

* It was upon a ſyſtem ſimilar to this, that the French recruited for the *regiment des Colonies*, and kept it diſtinct from their European military eſtabliſhment.

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As the artillery ſervice in India is that upon which our ſuperiority in the art of war depends, and as the army for the defence of our Aſiatic dominions, though it remains with the Company, is under His Majeſty's protection, it may be expedient, that this corps be ſupplied, either with ſuch recruits from the depôt as may be found from capacity, education and ſize, fitted for that ſervice, or with ſuch volunteers from the Royal Artillery at Woolwich, as the Board of Ordnance can with conveniency ſpare. This, inſtead of being an injury to that regiment would, on the contrary, open a new object of ambition to the Matroſſes who ſerve in it, and procure an ample and full ſupply of recruits.

Sixth ſuggeſtion. Proportion of Recruits required annually.

SIXTH. It has been ſuggeſted, that it ſhould be left with the Commanders in Chief, at the different ſettlements, to place the recruits upon their arrival, (and by the preceding ſyſtem, 2500 may be annually ſent out in the Company's ſhips) in the different corps where their ſervices are required.* This would have the effect of preventing diſputes among the commanders of regiments, and leave it entirely in the power of the reſponſible officer, to account for the ſtate of the regiments in the army under his command.

Seventh ſuggeſtion. Diſtribution and ſubordination of the Company's marine.

SEVENTH. It has been ſuggeſted, that the marine belonging to the different ſettlements ſhall continue, as at pre-

* The Company's uſual licence has been, to ſend out 2500 recruits annually.

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ſent, under the direction of the Governors and Councils, ſubject as hitherto, to the orders of the Directors at home and of His Majeſty's Commiſſioners for Indian affairs; and abroad, in time of war, to the commanders of His Majeſty's fleet, after they have received an order from the preſidencies to which the marine belongs. The preſent marine eſtabliſhment of the Company on the Bengal ſtation, conſiſts of 12 pilot veſſels and four budgerows, which, with the dock charges, coſt the Company about £.57,004 per annum. The Bombay marine conſiſts of 19 veſſels, carrying from 6 to 18 guns, the charges of which amount to about £.76,230 per annum; the marine charges, on the average of 1777-8 to 1789-90, amounted to £.133,234 annually.

Eighth ſuggeſtion. Code of military regulations for India.

EIGHTH. It has been ſuggeſted, that a code of military regulations ſhould be drawn up for the army in India, and that it ſhould conſiſt, firſt, of thoſe which are obſerved by the Britiſh army, and next of ſuch additional articles as may have been found neceſſary or expedient for the Indian army. Under this laſt article may be ſpecified the line of promotion and the line of duty in the different ſettlements, the mode of conducting courts-martial in the Sepoy corps where the natives are parties, particularly in caſes where the native officers are to be tried either for mutiny or deſertion. Tranſlations of this part ought to be made into the Perſian and Native languages, or language beſt underſtood in each preſidency, and read by the native officers themſelves, in

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the presence of the commanding European officer, at stated times in each year, and at the head of the native regiments *.

Inference from the whole of this military system.

HAVING thus suggested the kind of government for our Asiatic possessions which the characters of the inhabitants, the agreements and treaties which we have entered into with the native States or Princes, and the safety of the British constitution in its connexion with India, seem to authorize; and having marked out the degree of delegated sovereignty, with the judicial, financial, and military powers which it will be necessary to authorize, for the administration of it; the wisdom of Parliament may adopt, alter, or improve the whole, or any of the parts of this system, as they may think the maintenance of the British dominions in Hindoostan, and the improvement of the trade to the East-Indies, shall require, during the proposed prolongation of the Company's term.

* Though there has been an established practice in conducting courts-martial in the Sepoy corps, this practice is not generally understood; it would be of importance, therefore, that regulations for such courts should be explained.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

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SECT. I.

OBSERVATIONS ON THE TRADE TO THE EAST-INDIES, IN CONNEXION WITH THE PRECEDING PLAN OF GOVERNMENT.

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Commerce a difficult and important Branch in a Syſtem of Indian Affairs;---Reference to the Principles upon which the Syſtem of Eaſt-India trade muſt reſt;---The preſent Syſtem may

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be continued, with Modifications and Improvements ſuited to the actual State of our Indian Affairs;---Embarraſſments to be expected from different Claſſes of Opponents to the preſent Syſtem.---Argument of thoſe who wiſh to become Adventurers in the Eaſt-India Trade.---Examination of this Argument, by an Appeal to the Circumſtances under which the private Adventurer and the Company would carry on the Trade to India and China;---by the Neceſſity of bringing home the Revenue through the Trade;---by the Loſſes which the Public would ſuſtain, if the Revenue was to be brought home through the Trade of the private Merchant.---The Experiment of an open Trade equally dangerous at this Time, as when it was made by Cromwell.---Embarraſſments to be expected from Stock-jobbers and Party-men.---Theſe removed, by References which have been made to the actual State of the Company's Revenues and Trade.---Embarraſſments to be expected from Speculators in Britiſh Manufactures.---Plauſible Reaſonings of this Claſs of Men,---theſe obviated by the Reports of the Directors; firſt on the State of their Exports to India from 1784 *to* 1790. *---Obſervations upon this Report ſuggeſted by the actual State of the Trade to India. The Objections of the Speculator in the Britiſh Manufactures obviated by the Report of the Directors on their Exports to China from* 1784 *to* 1790.*---Obſervations upon this Report, ariſing from the actual State*

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of the Trade to China.---The Objections of the Speculator in our Manufactures, further obviated by the Third Report of the Directors, on the Export Trade to Japan and Persia.---Observations upon this Report, arising from the History and actual State of the Trade to Japan and Persia, and to the Islands in general.---Objections to be expected from the Agents and Emissaries of foreign Companies.---Consequence of listening to them;---these Objections afford an additional Reason for continuing the exclusive but modified Privileges of the Company.---The Whole of the East-India Trade divisible into Exports, circuitous Exchange within the Company's Limits, and Imports to Europe, &c. Export Trade.----*To open through the Company's chartered Ships, the Export Trade to the private Merchant and Manufacturer, on their own Risk.* Circuitous Trade.----1. *The Company to employ their Ships in carrying Indian Produce to the Countries within their Limits.----Cases in which Country Ships may be employed in this Trade.-----2. To establish such intermediate Stations of Trade in the Countries within the Company's Limits, as the Trade to them can afford.* Import and Re-exportation Trade.----1. *Encouragements to be given to the Culture of raw Materials for our Manufactures, and of Articles of Consumpt in China, &c. and in Britain.----2. The Company to furnish the*

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private Merchant with Shipping for bringing home raw Materials in return for his Exports, or to grant him Bill.----3. The Duties on imported India and China Produce to be modified.----4. Illicit Trade to the East-Indies, by British Merchants trading under foreign Flags, to be checked.----5. The Company's Sales to be further improved.----Result of the Whole of this commercial System.

Commerce, a difficult and important branch in a system of Indian affairs.

THE establishment of a commercial system, more particularly when it is to make an essential part of a political arrangement, is obviously a delicate branch of public œconomy. If the regulation of trade, where it is simple, that is, where one nation sends money and commodities to obtain, in return, the money and commodities of another, that a profit may be drawn from the whole of the transaction, requires political prudence; how much more must this be the case with the British trade to the East-Indies? Though this trade might have been simple in its origin, it has gradually become mixed, and within these last thirty years, has been the medium through which the revenues of conquered provinces were to be rendered one of the resources of the nation, as well as part of the reward of the East-India Company.

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Reference to the principles upon which the ſyſtem of Eaſt-India trade muſt reſt.

In ſtating the principles upon which the Legiſlature may probably think it expedient to prolong the term of the Eaſt-India Company's excluſive privilege, we have found, that the trade has been carried on upon a joint ſtock; that it has required nearly the experience of two hundred years to eſtabliſh it; that it has needed all the advantages which the Company poſſeſs over the private merchant, from their trading upon a capital, for which, it does not appear, they pay much, if any intereſt; that they have proceeded upon the fulleſt confidence in their credit among the nations with whom they traded, and upon experimental knowledge of their characters and prejudices; that for many years the ſurplus revenues of the provinces have paſſed home through the medium of their trade, in return for the expenſes of the various wars in which they have been engaged; that, in fine, it has called for the control of the Executive Power and of Parliament to ſupport their credit, and to render the Britiſh intereſts in Aſia, whether commercial or political, efficient branches of the empire and of its reſources.

The preſent ſyſtem may be continued with modifications and improvements, ſuited to the actual ſtate of our Indian affairs.

Upon a fair view of this national ſubject, and under no impreſſions but thoſe of ſuggeſting propoſitions for the general intereſt and honor of the Britiſh trade and empire, and propoſitions too, ariſing out of the character of the natives, our ſubjects in India, and out of the character of the inhabitants of the countries to which our Aſiatic commerce extends in connection with the experience of the Eaſt-India Company, and of the executive power controling their proceedings, it ſeems to be a neceſſary infer-

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ence, that the ſyſtem of trade, as at preſent carried on, with ſuch modifications and regulations as the preceding plan of government and recent events will admit of, is the only one that is fitted for the mixed commercial intereſts and territorial poſſeſſions of Great Britain in the Eaſt-Indies.

Embarraſſments to be expected from different claſſes of opponents to the preſent ſyſtem.

In continuing and improving on the preſent ſyſtem of Aſiatic commerce, the Public and the Legiſlature have to meet a variety of embarraſſments. Men who wiſh to become adventurers in Eaſtern trade; men who are to draw their fortunes from ſtock-jobbing, or to derive conſequence from the views of Indian affairs, which, in connection with politics, they may obtrude on the Public; men who may wiſh to ſpeculate in our manufactures, and the emiſſaries of foreign Companies, who have been our rivals, will ſucceſſively attempt to bias the public opinion and judgment. Though the Proprietors and Directors, and the Executive Government controling Indian affairs, are fully equal to the taſk of examining and detecting the erroneous accounts, which men of theſe various deſcriptions may offer, it becomes a duty to the Public, to free it from the influence which ſpecious propoſitions might have, leaving to the candor and judgment of Engliſhmen, unfettered in their deciſions, to examine and to pronounce on the future regulation of ſo valuable a branch of their trade and navigation.

Argument of thoſe who wiſh to become adventurers in the Eaſt-India trade.

In the firſt place, men who wiſh to become adventurers in the trade to India or to China, will ſay, that monopolies of every kind are deſtructive of all commercial enterprize; that

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that however proper ſuch monopolies may be in the early ſtages of a diſtant and expenſive trade, as an encouragement to individuals to ſubſcribe to the ſtock required to carry it on, they are unneceſſary and impolitic, when the value of that trade has become generally underſtood, and when the profits from it ought to be laid open to the Public at large: that the Eaſt-India trade has reached this point, and that the wealth of individual merchants would be profitably employed to themſelves and to the nation, if they were permitted a liberal competition in Aſiatic commerce. In this way (they will ſay) not only the general export of Britiſh produce would be encouraged, but the import of the materials upon which ſo many of our home manufactures depend, would become a new ſpring to the induſtry of the European and Aſiatic ſubjects of Great Britain. Before we compare the trade, ſuppoſing it to be in the hands of the private merchant, or in thoſe of the Company, we ſhould diſtinguiſh between a monopoly, when it ſignifies an excluſive title in its poſſeſſor to bring into, or to with-hold from the market any commodity, and the excluſive trade of the Eaſt-India Company, where a body of merchants engage in a concern, of which any one may become a partaker, by buying a greater or a leſſer ſhare in their ſtock, and where the ſale of the imports is open and legally authorized, and the trade ſo regulated by the Legiſlature as to give to the nation a ſuperiority over foreign and rival Companies. In the hands of the London Company, the India trade might perhaps be denominated a monopoly, but in thoſe of the United Company, it

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it muſt be conſidered as the Britiſh nation trading upon a large capital to the Eaſt-Indies*.

Examination of this argument by an appeal to the circumſtances under which the private adventurer and the Company would carry on the trade to India and to China.

However ſpecious theſe opinions in commerce may be in their general aſpects, it is the application of them alone that can determine their value; and, in the preſent caſe, a few leading facts will be ſufficient to point out the impracticability of adopting them.

THE trade of the Eaſt-India Company differs from that of other merchants in the following circumſtances: The individual merchant, when he employs a ſum in any branch of trade, conſiders what intereſt he can draw from his money, independently of the riſk of trade, deducts this from what he has realized beyond the prime coſts and charges, and then ſets down the remainder as his profit; or if the intereſt of his money would have exceeded the ſum ſo realized, he conſiders the difference as a loſs. The Company again may be ſaid to trade on a capital partly furniſhed by others, ſince, firſt, all that they pay intereſt for is their capital ſtock and bond debt†, and (conſidered in one point of view) the bills of exchange from India and China: their outſtanding debts to individuals, however, bear no intereſt, and the amount of them is very conſiderable, as well as the profit on

* See this ſubject treated of, upon the principles of law and of trade, in a "Short Hiſtory of the Eaſt-India Company." (1793) chap. 6, p. 26.

† The loan from the Bank being for the mortgage of annuities, the intereſt is provided for, excluſive of the trade.

privaet

private trade, that is, the duties paid by the private trader to the Company. The Company thus may be ſaid to trade ſo far on a capital furniſhed by others. Hence the difficulty under which the individual merchant would engage in the competition with them; and hence the danger of any attempt to divert from the Eaſt-India Company into any other channel, a commerce that has proved ſo very beneficial to the intereſt of Great Britain.

—By the neceſſity of bringing home the revenue through the trade.

ANOTHER circumſtance in which the trade in the hands of the Company differs from that of the private merchant is, that they have employed large ſums in inveſtments, from the revenues of India. The private merchant muſt ſhip a quantity of goods from Great Britain, and, from the ſale of them, purchaſe produce in India; and, after paying all charges, realize a certain amount in Britain. If the amount realized ſhall exceed the intereſt of the money employed, the trade would be profitable on the whole; but if it ſhould not yield the intereſt on the capital, the trade is a loſing one. The homeward cargoes of the Company, again, are furniſhed partly by the revenues in India, partly by bills drawn on England, and partly by the ſale of exports. The profit or loſs, therefore, with them, becomes divided into export and import trade; and in the proportion that the one or the other is burdened with a larger or leſſer degree of the charges, the profit or loſs is encreaſed on either. The revenues, however, it muſt be remembered, are to be brought home through trade, and through a trade immediately under the public control.

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—By the losses which the Public would sustain, if the revenue was to be brought home through the trade of the private merchant.

A THIRD circumstance in which the trade of the private merchant and of the Company differs is, that it would be almost impracticable to give the advantage of bringing home the revenues through the private trader, so as to allow him the same advantages which the Company possess in the circuit of their commerce. The risks to be run by the Public, in entrusting portions of the revenue to the merchant, who was to depend on the profits of an uncertain export trade to and import trade from India; on the profits of an uncertain trade from India to China, allowing the profits from China to be certain, would be so great, that it might affect the national object of realizing the revenues of India in England. That the measure of entrusting the revenue to the Company, to pass through their trade to England, has been found, from experience, to be practicable and productive, and therefore, the only one which the Public can rely on. If the exports have not always brought a profit, still the weight of the revenue has enabled the Company to continue the import trade with advantage to themselves; and even granting that the exports from India to China have not always contributed equally to the China investments, still, judging from the number of country ships under the Company's protection, employed between India and China,* as well as of the Company's chartered

* The articles chiefly sent from India to China are obtained on the Malabar Coast, viz. pepper, sandal wood, &c. Formerly the Company not only had competitors in obtaining them, in the European companies, but the prejudices of the Mysore government against the English to struggle with. Our recent conquest of this country

tered ſhips, the connection of the two trades muſt be continued, and the revenue of India be more certainly realized in England through the circuitous commerce of the Company, than if this circuit ſhould be opened to the private merchant.

The experiment of an open trade equally dangerous at this time, as when it was made by Cromwell.

BUT ſuppoſing theſe facts and the reaſonings from them not to be concluſive, againſt the ſpecious reaſoning of the private adventurer wiſhing to deprive the Company of their excluſive privilege, the hiſtory of our Eaſt-India trade furniſhes an argument of more weight. Cromwell, ſtruck with the reaſonings againſt monoplies, laid open the Eaſt-India trade. In three years, its decreaſe, and the dimunition of the home revenue ſatisfied him, that though the arguments againſt monopolies were ſpecious, the ſcheme of an open trade to the Eaſt-Indies was not practicable; and that it was expedient to reſtore their privileges to the Eaſt-India Company. He ſaw, with mortification, the ſudden encreaſe in the Eaſt-India trade of the Dutch Company: he was alarmed leaſt his raſh and imperious ſcheme might abridge the revenues of the nation, and though there then exiſted no revenues to be brought home through the trade, this circumſtance now exiſting, is ſufficient to check us in the experiment of opening the trade, ſince the reſult might

try will, of courſe, facilitate this branch of the trade, and by placing it under the Company's management, enable the executive power and parliament, to aſcertain the value of the acquiſition, and improve the trade for the intereſt of the Public.

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be more dangerous in the end of the eighteenth, than it was in the end of the ſeventeenth century.*

Embarraſſments to be expected from ſtock jobbers and party-men.

In the ſecond place, the opinion of the Public, as well as the deliberations of the Legiſlature, have to meet embarraſſments from Stock-jobbers and party men. The object of the one claſs will be to profit from the fluctuations in the price of India ſtock, &c.—that of the other, to acquire political influence, in conſequence of their furniſhing, from time to time, ſpecious views of Indian affairs to the Public.

Theſe removed by references which have been made to the actual ſtate of the Company's revenues and trade.

It would be impracticable, and indeed uſeleſs, to follow either of theſe claſſes through the intricacy of their ſtatements, or to examine the motives from which they may have written; it will be ſufficient to point out the general objects with which they did write. Theſe objects were to bring out ſtatements of Indian accounts, different from thoſe which the records of the Company furniſh; or to inſtitute a train of arguments to prove, that the particular plan they recommended, would be better than the preſent ſyſtem. The Public, however, always derive profit from ſuch con-

* " When Cromwell's plan of laying open the trade to the Eaſt-Indies was known in Holland, a general alarm prevailed that this meaſure would ruin their Eaſt-India Company.—Thurloe's State Papers, vol. 3, p. 80." Hiſt. and Chron. Ded. of the Origin of Commerce, vol. 2, p. 431. This meaſure of the Protector took place in 1654-5, and it was propoſed the experiment ſhould be made for four years, but in three years time, he was obliged to re-eſtabliſh the Company with all its former privileges. Ibid.

troverſies,

troverſies, though they cannot reſt upon any information, with confidence, but upon that of authorized accounts and their vouchers. A man who wiſhes to miſlead the Public, on any queſtion, will reaſon ingeniouſly from a few or from preſumed facts. He, who is in poſſeſſion of the real facts, will leave them, without reaſonings, to have their effect on the good ſenſe and judgment of the nation.*

Embarraſſments to be expected from ſpeculators in Britiſh manufactures.

In the third place, the opinion of the Public, as well as the deliberations of the Legiſlature, will have to meet embarraſſments from ſpeculators in our manufactures, who will hold out the plauſible arguments, that if the trade to the Eaſt-Indies ſhould be laid open, the demands for the exports of Britiſh produce would be encreaſed, and the import of raw materials become ſo great, as to give a new ſpring to the Britiſh induſtry; and that the manufacturer would, with ſuch advantages, be enabled to work at a cheaper rate, and, of courſe, to ſell at a lower price.

Plauſible reaſonings of this claſs of men.

In all caſes where the facts lie removed from common obſervation, nothing is ſo eaſy as to offer a ſpecious opinion, and nothing ſo common as to be duped by it. This is remarkably the caſe in the preſent inſtance. It is to be recollected, that the Britiſh exports, in ſo far as they regard the Eaſt-Indies, may be divided into two kinds:

* See this obſervation illuſtrated in the anſwer to ſtatements of this deſcription, given in " A General View of the Variations which have been made in the Affairs of the Eaſt-India Company ſince the Concluſion of the War, 1784." by George Anderſon, A. M.

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These obviated by the reports of the Directors,—first, on the state of their exports to India, from 1784 to 1790.

The Court of Directors of the East-India Company, stated in their first report, what were the quantities and value in England, of the several articles exported by the Company to India, and the profit or loss on the sale of those articles in that country; and the result is, that in six years, from 1783-4 to 1789-90, there have been sold in India, woollens to the amount of £.576,048 the first cost of which in England was £.520,120; and metals sold in the same period to the amount of £.1,010,008, the first cost of which was £.760,169; to the first cost the committee add ½ per cent. for charges in England; interest of money two years, at £.4 per cent. per annum; insurance 3 per cent. freight £.10 per ton; charges of the import warehouses in India, 3 per cent. at Bengal, 5 per cent. at Madras, and 2 per cent. at Bombay. By these different charges a loss appears on woollens, in the six years, of £.37,790, and the gain on metals, only £.9,875, making an average loss, on the whole, of £.4,652 per annum. It is to be remarked, however, that the current rupee is here valued at 2s. at which bills have been lately drawn from Bengal; but in the first three years of the above period, the bills were at 2s. 1d. if that rate were taken there would be a profit instead of a loss.

In the second place, they have given such information as they could procure respecting the exports in private trade, allowed to the commanders and officers of the Company's ships, and the particular articles which compose that export; and the result is, that, on the average of the last seven years, these exports have amounted to £.126,687

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In the third place, they have given as much information as they could procure respecting illicit trade; that is, goods exported on the Company's ships without their orders, and on private ships without the license of the Company. But of the annual amount, they had no materials to enable them to form an estimate; a considerable part of it consisted of naval and military stores.

In the fourth place, they have suggested the best means they could devise of computing the tonnage unoccupied in the Company's ships on their outward voyages; and the result is, that upon the average of seven years (1784 to 1790) the tons carried were 16,068, and the tons chartered 19,800 so that the tons chartered exceeded the tons carried 3,732 tons annually.

In the fifth place, they have given an account of their own endeavours to encrease and extend the consumption of British manufactures in the East-Indies, and suggested such new exports as might be tried, with the probable degree of their success, and the result is, that the demand for British manufactures is so limited in India, that almost every attempt to extend the sale of them has failed of success, from the markets becoming overstocked; and that but little encrease of demand can be expected from our intercourse with the native powers*.

* See First Report.

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Obfervations upon this report, fuggefted by the actual ftate of the trade to India.

Admitting this report of the Directors to be the ftate of the cafe, and they certainly have the information which arifes from practice and experience, the attempts of the private fpeculator in our manufactures, might produce the public evil of diminifhing the quantity of exports at prefent fending out by the Company.

In the firft place, it is to be recollected, that the Company, from the tonnage required for their import trade, have every inducement to export Britifh produce in their chartered fhips, even if the fales fhould be attended only with no lofs. They have a character underftood in India and relied on by the natives to fupport; they have the exports of other European Companies or illicit Englifh traders from Oftend, &c. to check, and, if poffible, to abridge. It is their intereft, in one word, to keep the export as well as the import trade in their own hands. The private adventurer is under none of thefe obligations, at leaft, he is not under them in the fame degree with the Company. He cannot be prefumed to have a character and a credit already eftablifhed among the natives. As his object can only be that of rapidly amaffing a fortune, he might take out Britifh produce of an inferior quality, on the idea that the eftablifhed reputation of it in India, would enfure him a fale; the preference given to our manufactures over the other European produce, might thus be leffened. The prefent demands for it by the agents of foreign Companies to enable them to meet our fale in the Indian markets, might thus be done away; manufactures might rife among the European

nations,

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nations, which might furnifh produce equal at leaft to the kind fent out by the private adventurers. Time and practice, and profit, might eftablifh manufactures on the Continent, to rival thofe of Britain. If the manufactures of England arofe from one accident, they might fall by another; nor is it an improbable event, that after the prefent delirium among the French fhall fubfide, and that country be again under a regular government of any kind, they may, as on former occafions, attempt to allure our artizans and manufacturers to fettle among them, and thus Great Britain, duped by an idle fpeculation, might lofe that fuperiority in its productions, which it has coft ages to acquire, and which we now fo profitably poffefs. The political imprudence then of liftening to fpeculation might deprive us in practice of an advantage we could never recal.

If then, on the one hand, we muft paufe and ferioufly reflect before we take the export trade from the Company, we fhould not, on the other, fuppofe that it is not in their hands fufceptible of improvement. If, notwithftanding the refult of the preceding report of the Directors, the merchants, or rather the manufacturers of this country, fhould ftill be under the delufion of its being for their advantage, that the export trade fhould be laid open, and yet the Legiflature be ftill of opinion, from the evidence before them, that no intelligent merchant would embark deeply in it upon his own capital, and that it would be unfafe for the Public to divert this trade from a channel in which it has proved fo beneficial to the manufacturer; it does not thence

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follow that ſome means may not be adopted for allowing the merchant, at his own riſk, to try the experiment, and yet preſerving and invigorating the trade of the Company. The purpoſes to be accompliſhed are to encourage the export trade of our manufacture to India to the utmoſt extent the demands of that country will admit of, and to encourage the importation of the raw materials, which the ſoil and climate of India afford for our manufactures. An experiment, therefore, may be made without any danger to the Public, by obliging the Eaſt-India Company to find ſhipping, at a reaſonable rate of freight, for carrying out, at the riſk of the exporter, the manufactures of Great Britain and Ireland, ſuch exporters giving notice, within a time ſpecified, of the tonnage they require. In like manner, that the manufacturer may have every encouragement to oblige the Company to find ſhipping in India, at a reaſonable rate of freight, for importing the raw materials he can purchaſe, and, at his own riſk, in return for the manufactures he has exported. If this meaſure ſhall be analized, it will be found liable to no objection, either by the Company or by the manufacturer. If it be true that the former export as much of the manufactures of Britain and Ireland as the demands of India require, the individual exporters can have no temptation to enter into the competition with them; and if it be not true, the individual exporter will have an opportunity of filling up the chaſm in the trade now carried on in foreign bottoms, and an opportunity alſo of bringing home ſuch quantity of raw materials for his manufacture as the ſale of his exports can purchaſe; beſides he will have the advan-

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tage of ſhipping, at a moderate freight, without, upon his individual capital, being obliged to purchaſe and ſupport that hazardous and expenſive part of the concern. The Company will have the export trade left in their hands as well as the import of materials for the manufactures, and will be compelled to carry on both to the utmoſt extent, that the demands of India or the demands of Europe will bear. A dangerous ſpeculation will thus be checked, which, if allowed to be carried into practice, might deſtroy the intrinſic value of the Britiſh produce, upon which the preference given to the Company in the Eaſtern market obviouſly depends; and yet the great object in commercial œconomy will be gained, of extending the trade and navigation of Great Britain to the Eaſt-Indies to the utmoſt point to which it can be carried with ſafety to the reſources and revenue of the nation.

On a minute examination then of the particulars referred to, in the report of the Directors on the export trade, the advantages to be derived from it may be traced out in the following ſimple ſtage of the buſineſs. Firſt, a ſum of money is employed to purchaſe woollens (for example) in England, as an article of export for India; to this ſum muſt be added, the charges of freight, &c. Second, theſe woollens, when ſold in the India market, will produce a greater or a leſs ſum, according to the market price. Third, this ſum ſo produced is laid out in purchaſing Indian goods for the China or Europe markets. In this ſtage of the buſineſs, it is to be recollected, that the rupee may be taken either as bullion,

bullion, when it becomes an article of export for China or for Europe, or it may be valued according to the rate of exchange, between India and China, or between India, China and Europe. Fourth, the ſum which can be obtained for the woollens in the India market, applied to purchaſe goods to be ſold in China, or exchanged for China produce to be ſent to Europe, muſt be eſtimated by the profit which either India or China produce will yield at the Company's ſales in Europe. In a commercial view then, the original ſum laid out on woollens paſſes through a long circuit of exchange, in each ſtage of which, we have to conſider the profit or loſs on it, and not to bring the advantages or diſadvantages of the export trade, in the manner of the report, under any one of them in particular. We muſt deduct them from the whole, viz. from the exports filling up the Company's tonnage from Europe to India; from the ſum ariſing from the ſale of the woollens in the India market; from the difference of the value of ſilver in Europe, in India and in China; and laſtly, from the profits which the Company draw, in the whole of this line of exchange, in connexion with the privilege of ſending home the ſurplus revenues, and of being able to obtain money from individuals in India and in China for bills, at one or more year's ſight, without intereſt; that is, from their obtaining money which is to paſs through their trade, without any other riſk, till it can be realized at their ſales in England, but that of being their own inſurers.

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The objections of the speculator in the British manufactures next obviated by the report of the Directors on their exports to China, from 1784 to 1790.

The Directors in a second report, dated the 29th December, 1791, after recapitulating the substance of the first report, propose to confine themselves to a particular account of the trade with China. On this subject they set out with giving a view of the quantity and value of the Company's exports to that country, and of the profit and loss on this concern. To render this subject obvious, they point out the particulars of the Company's exports to China, authenticated by the proper officers, and illustrate this by the rate of exchange, estimated at 6s. 8d. per tale, and then state, that the loss on woollens from 1781 to 1791 inclusive, amounted to £.82,516, and on metals, during the same period, to £. 108,401. They next proceed to give an account of the private trade, allowed to commanders and officers; and, after observing, that the Court of Directors had, for the year 1791-2, extended the privilege of commanders and officers, in private trade, from 87 to 92 tons per ship, and distinguishing what articles of exports in private trade, or what proportion of them was to be sent to China, notice, that these officers have confined themselves chiefly to the trade in skins and furs, having since the Americans begun to trade to the East-Indies, dropped the article of ginseng, and conclude, that the only other articles of export consist of jewelry, toys, watches, cuttings of cloth, a very few woollens, some cutlery, hardware, and silver; the article of quicksilver having for some time been abandoned.

THEY proceed, in the third place, to report refpecting illicit trade, and obferve, that thofe articles of it which form the chief demand in India, viz. naval and military ftores, and copper, do not anfwer for the China market. That it is with difficulty the Company's fhips are allowed to keep the neceffary guns and ftores on board, and that the Chinefe are fupplied with copper from Japan. CHAP. II.

THEY mention, in the fourth place, the fubject of tonnage, and refer to their firft report.

THEY proceed, in the fifth place, to report on their endeavours to encreafe and extend the confumption of Britifh manufactures and produce in China, and mention the refult of their attempts to add new articles to this trade. On this fubject they obferve, that though almoft all the European commercial nations have had intercourfe with this empire, either by fea or land, yet ftill we are ignorant of its internal commerce; that the merchant can derive no affiftance from the publications of miffionaries and others; and that all experiments of trade, proceeding upon them, have been injurious to the Company's commerce. Whatever credit may be given to the juftice of the public edicts of the Chinefe, and whatever refpect may be due to the good character of the prefent Emperor, that ftill there remains to be difcovered, in what manner a free communication with his empire is to be obtained; or in what way his orders for redrefs of grievances in trade can be enfured. Though the Company, they fubjoin, upon a complaint of

CHAP. II. an act of injuftice on the part of the Chinefe, obtained an order for redrefs, and though a command was given to difplace the Mandarin who had committed the violence, the pecuniary impofitions on the commerce were made equal to the reftitution which was ordered; nor do their fervants abroad find that the other European nations are in a better fituation than the Englifh. The obftacles to trade arife from the arbitrary nature of the Chinefe government: it confines the European trade to Canton, though tea is produced to the northward of that place. The principal confumption of furs and woollens, evidently is in the capital of China; they could be purchafed at a much cheaper rate if our fhips were permitted to proceed to a port in the north of China, from which, however, they are excluded by the jealoufy and fufpicion of the government. It thus becomes impoffible, they conclude, to difcover the fituation and defcription of people in China, who either do, or would be likely to confume Britifh produce and manufacture; woollens and furs would evidently be confumed in the northern parts; tin, for fuperftitious purpofes, would be confumed every where; jewelry, toys, watches, &c. would be bought by the affluent of every defcription. The report, therefore, concludes, that the only mode of encreafing and extending the confumption of Britifh produce in China, muft be by the ufual and frequented channels of trade now open; and that any endeavour to proceed by new channels would be productive of bad confequences. The committee illuftrate this obfervation by remarking, that the principal article from which profit could be expected would be woollens, and yet fcruple not to pronounce,

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nounce, that the moſt beneficial method of carrying on the trade with China from Europe is, by the export of bullion; explaining this opinion by the profits obtained by the Swediſh Company, anterior to the Commutation Act, which had the effect to transfer theſe profits to Britain. Means, however, they ſubjoin, have not been left untried to encreaſe the export trade to China. It has been repreſented to that people, that Great Britain could not continue to receive teas to ſuch an immenſe value, unleſs the Chineſe would facilitate and encourage the ſale of our produce and manufactures in return; and that the commercial profits to the Chineſe would attach equally to the import and export trade. The conſequence has been an encreaſe of the demand for woollens, and yet the loſs to the Company, as appears from authenticated accounts, has been continued. With the object of illuſtrating this fact, the report ſtates the quantities of manufacture and produce remaining on hand, at the cloſe of the ſeaſon; and in what manner the indents received from China have been complied with. They argue nothing from the years 1781 to 1784 incluſive, but ſtate, that ſince 1784 the warehouſes of the Company have been conſtantly cleared, and when the balance of caſh in the treaſury at Canton, at the cloſe of a ſeaſon, has amounted to £.500,000, there has not been a ſingle piece of woollen remaining in the warehouſe. The account of tin, lead, and woollens, indented for, and exported to China, from 1785 to 1791 incluſive, affords the following reſult: tin indented, tons 1187; exported 3238. Lead exported, tons 10,200. Cloth indented, cloths 28,987; exported 33,483. Long

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ells indented, pieces 660,200; exported 724,380. Camblets indented, pieces 4840; exported 6609. The report concludes this account with a comparifon of the Company's export trade in the laft century (from 1652 to 1674) with the amount of it, from feafon 1781 to feafon 1791 inclufive. During the former period they exported, in bullion, £.1,131,653; in produce and manufactures to the amount of £.286,584. In the years 1655 and 1656, when the trade was laid open by Cromwell, the Company made no exports. During the latter period, the amount of exports to India, China, &c. has been as follows: the total of merchandize to India was £.1,179,342; metals, £.1,561,841; ftores, £.1,255,259. The total of merchandize to China was £.2,842,904; metals, £.537,107; ftores, £.52,782; bullion, £.4,352,021. To explain thefe exports they obferve, firft, that the quantity of filver fent will depend on the encreafed export of other metals, and of manufactures; and next, that any reduction of the Company's export trade to China would be an irrecoverable lofs to the Public.

Obfervations upon this report arifing from the actual ftate of the trade to China.

In order to form an opinion of this report, either from the evidence upon which it refts, or from fuch evidence as thofe who have been converfant in the China trade have afforded, fince the report was drawn up, we muft recur to the commercial principle upon which, it has been fhewn, the China trade muft reft, viz. that it requires a large ftock to engage in it; that long experience of the character of the Chinefe, and of the competitions with the other European

ropean companies in that trade, is demanded to engage in it with profit; and, that the relation which the India trade and revenues, and the China trade bear to each other muſt be preſerved, to ſupport and render the one productive, or to give a decided ſuperiority in the other. Connecting this principle with the ſubſtance of the report, we muſt diſtinguiſh the nature of the two trades. In the India trade we have revenue and political influence; in the China trade we have neither the one nor the other. In conſidering this report, therefore, we muſt diſtinguiſh the China the trade firſt, as a ſimple export and import buſineſs with factory at Canton; next, as an enlarged export and import buſineſs with China, ſhould the object of the preſent embaſſy of opening a trade into the interior of that empire be effected; and, laſtly, in the relation which the India trade has born, or may, from our late acquiſitions, bear to that of China, whether by ſending to it thoſe Indian articles which hitherto have been imported into Canton alone by the Europeans in general, or as related to it by the encreaſed ſurplus which may be expected to ariſe from the new ſyſtem of finance introduced in our former, and propoſed to be introduced into our recently acquired dominions.

On the firſt of theſe ſubjects, it appears by this report, that the Company have exported Britiſh produce, to China, fully equal to the demand in that market. The demand for furs from America or from Nootka Sound, muſt be conſidered as foreign exports, not Britiſh. In this view of the ſubject, then, we have only to compare the ſituation of the

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CHAP. II. private merchant and of the Company, entering into a fair competition of trade. The private merchant employs a ſum to purchaſe exports, as hardware, woollens, tin, &c. for the China market. To the intereſt on this ſum muſt be added, that on the charges of freight, inſurance, &c. he muſt carry this cargo to Canton, ſince the Chineſe, as yet, admit the Europeans into no other port: here it muſt be ſold for ſuch prices as the Chineſe, bargaining with the other European traders, will be diſpoſed to give. If the report of the Directors ſhould be taken as the criterion, there would frequently be a loſs on this ſale, though ſometimes a conſiderable gain; that is, ſometimes the profit on ſeveral voyages would not be conſiderable. The Company, in this branch of the competition, would have every advantage. In the ſhips which go direct for China, the exports fill up part of the ſpare tonnage; that is, they carry out Britiſh produce without any other charge, except the intereſt of the money. From their large ſtock, they can ſell it at a loſs, ſince their profits depend on their imports, not on their exports, and ſince they pay no inſurance. In this firſt ſtage of the buſineſs then, the private merchant would be ruined by the competition, and the Company's exports would neceſſarily be leſſened. It is here to be recollected, that it is not in the exports the Company have rivals from Holland, Sweden and Denmark, but in the imports, for which theſe nations chiefly carry out bullion. Suppoſing, however, that the export trade, in the hands of the private merchant, would afford him a profit, after paying inſurance and charges of every kind, it comes next to be aſked, what ſecurity would

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the Public have, that the China goods would be imported into Britain (and upon this depends the duties and cuſtoms) if the trade ſhould be entruſted to the private merchant? In this caſe the private merchant could not be tied down by a clearance from Canton; for, as yet, we have no ſuch privilege. But ſuppoſing that he could be bound to clear out from that port to Britain, and even that the obligation of an oath could be added, experience has not proved, that conſcience is always a match for ſelf-intereſt. He might become a ſmuggler if he could reach the Britiſh dominions without being viſited by the revenue officers; or if this could be rendered impracticable, he might carry the China produce to foreign markets, and thus, not only evade the payment of the duties on it, but, on a Britiſh capital, enrich a rival European nation. Suppoſing, however, that he had the probity of a good and active citizen, it would be unpardonable raſhneſs to open the trade to China to him, as a private merchant could not carry on this trade with the ſame profit to himſelf, or with the ſame advantage to the revenue, that the Company have done, if we judge from their own report, even ſuppoſing them to have had no aids from the relation ſubſiſting between Indian revenues and trade, and the trade to China.

The ſecond aſpect of the export and import trade to China proceeds upon the idea, that the embaſſy, for enlarging the commercial intercourſe with the Chineſe empire, ſhould ſucceed. Admitting the probability of this event, it would be a raſh meaſure to vary from the preſent

CHAP. II. line of conducting the China trade upon a probability only, more particularly when the fact is adverted to, that since the passing of the Commutation Act, the British imports from China have been doubled, while the trade of the foreign Companies from Canton has been gradually on the decrease *. Any innovation therefore, on the present system, might lessen the opinion which the Chinese entertain of the English credit and demands for China produce; and, upon the presumption that the embassy shall succeed in all its objects, a single irregularity in conduct, or in payment by an individual adventurer, might not only deprive us of the preference we at present possess, but induce the sovereign to retract the privileges he may grant, before the Company could have an opportunity of proving the reciprocal advantages of a commercial intercourse between the Chinese and the British nations †.

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* The Danish Company have only been able to send in this season 1791-2, a single ship to Canton.

† The confidence which the Chinese have in the Company, cannot be more strongly proved, than by their having been in the custom of accepting of the stamps, or marks which the Company put upon their different exports, as evidence of the fineness and value of the goods, while they examine those of every other nation. This confidence is the more extraordinary, when it is adverted to, that the Chinese, when they deliver their goods to the Factory at Canton, submit to have them examined. This circumstance arises not from a high sense of their own probity and fair dealing, and can only be explained by their consciousness of a propensity to commit frauds, and by the frequent detection and discovery of them. It was not uncommon with their merchants to cover the surface of a chest of tea with the finest kind, while the lower part was filled, either with coarse tea or with rubbish. The woollens, camblets, &c. having the Company's marks upon them, they accept of, without examining the bales.

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The laſt aſpect in which we can view the report of the Directors, takes in the relation which the whole circle of Eaſt-India trade bears to China. It is not the export of Britiſh produce, or of Bullion only, merely to fill up the ſpare tonnage of the ſhips that go direct from Britain to China, which ſupports the trade; nor is it the imports from China (profitable as they have been) that give us a fair view of the ſubject, we muſt conſider Canton as the center, in which a great part of the exchanges meet. If the ſurplus revenues cannot always come through the Indian imports; if portions of them muſt frequently paſs through the cargoes of country ſhips trading from India to China; if the different preſidencies muſt often give bills on the treaſury at Canton, to enable it to provide the China inveſtment; if individuals, in India, whether Company's ſervants or other Europeans, frequently advance money for bills on Canton, that, in this way, the money may paſs through the China trade to Europe, bearing no intereſt during the time that this reſpondentia looking buſineſs is going on, till it

Tin in pigs, though a recent export, they accept of without weighing, if they have the Company's ſtamp on them, a proof that the confidence is habitual. Metals, brought by individuals, are always weighed. The ſame confidence which is given to the quality of the Britiſh exports is not experienced by the Factories of the other European companies. The Company exported in 1791, 930 tons of tin, which, by the advices received in November laſt, ſold for 16 tales per pecul. The exporters of the Cornwall tin, thus, have profited from this confidence which the Chineſe have in the Company, whether we judge from the quantity, or from the facility with which the article is ſold. If the trade was open to the private adventurer, the riſk would be great, and the market might be ſhut againſt the Engliſh. This intereſting circumſtance can be beſt verified by the ſupra-cargoes lately returned from China.

CHAP. II. may be ſuppoſed to place the value in the Company's treaſury in Leadenhall-ſtreet; it follows from the whole of the tranſactions, that we cannot eſtimate the profits or loſſes on the China trade, by the mere exports and imports between Britain and China; that is, we cannot from them judge of the value of the China branch of the Company's trade, but muſt obſerve the different ſtreams which feed it, nouriſhing equally, as they run along, the export and import trade of India, the export and import trade of China, and carrying with them the public concern of bringing home the ſurplus revenues of our dominions. As our new dominions on the Malabar Coaſt produce the pepper, ſandal wood, &c. ſo much in demand in the China market, the ſurplus revenue from thence muſt be encreaſed in value, by ſending it through the trade to China; that is the commercial connexion between India and China muſt become ſtronger by this link between it and India. Hence the neceſſity of allowing the China trade to remain under the excluſive privilege of the Company.

As with India, however, ſo with China, all the advantages of an open trade may be given to the individual merchant upon his own riſk, and yet none of the diſadvantages either to the Company's credit, or to the home revenue be incurred. The Company may be obliged to furniſh ſuch individual merchants or manufacturers, as chuſe to riſk their capitals in the export trade to China, or in the import of the raw materials from it, required for our home induſtry, with ſhipping, at a moderate rate of freight: by this expedient the adventurer will find a more profitable and certain opportunity

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of proving, whether his ſpeculations were good or not, than he could have obtained, if he had embarked in it under all the charges incident to a diſtant navigation; and, at the ſame time, the Company be compelled to the commercial exertion of encreaſing the exports and imports to the utmoſt. In this way the Public will be enabled to fulfil whatever promiſes may be made to the Chineſe, ſhould they allow us a trade to the interior of their empire, and in this way enſure not only the ſuperiority which we hold in this market, but the duties and cuſtoms which the nation receives, or may receive from the China trade.

The objections of the ſpeculator in our manufactures, further obviated by the third report of the Directors on the export trade to Japan and Perſia.

The Directors, in a third report to the Committee of the Privy Council appointed for all matters relating to trade and to foreign plantations, ſtate the meaſures which have been, at different times, adopted by the Company, for extending the trade of Great Britain to Japan and to Perſia. This report had been called for, becauſe the Committee had been ſolicited to open new channels of export trade to the countries ſituated eaſtward of the Cape of Good Hope, particularly to Japan, and to the ſhores of the Perſian Gulf. To prove that the Company had not been deficient in their efforts to extend the export trade to all the countries within their limits, the Directors introduce their report with a reference to the encouragement which they have given to men of eſtabliſhed reputation for their publications on Indian hiſtory, geography and navigation to the expenſive eſtabliſhment of botanical gardens in Calcutta, Madras and

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CHAP. II. Saint Helena; to the means they have employed for improving the culture of ſilk, indigo, and ſugar; to the protection they have afforded a public ſociety inſtituted with the object of encreaſing the knowledge of Indian literature, arts, manufactures and commerce; ſubjoining, that no place to the eaſtward of the Cape of Good Hope, hitherto diſcovered, and where, it was preſumed, commerce might be practicable, had been left untried by their ſervants; but that it was impoſſible to make new and expenſive eſtabliſhments, unleſs the appearance of trade was promiſing enough to create in them the belief of a return.

After theſe preliminary obſervations, the report ſtates, that attempts had been made to open a trade with Japan in 1613, 1616, 1620, and 1623, at which laſt period, it was determined to abandon the ſcheme as impracticable, firſt, becauſe the articles proper for ſale in Japan conſiſted chiefly of Indian and China manufactures, viz. Silks and raw ſilk, ſpices, drugs, ſandal wood, hides, &c. with a very ſmall proportion of Europe articles; Second, becauſe their plan of opening a connexion with China, through Japan, and of extending the circuit of trade from India to China and Japan was impracticable; Third, becauſe all their endeavours to form connections with China, through Japan, (and theſe were tried at a much later period in 1673) had proved unſucceſsful. Whether the want of ſucceſs was owing to the interferences of the Dutch eſtabliſhed at Tywan, or to the political confuſions in Japan itſelf, it is difficult to ſay, but that theſe attempts coſt the Company near £.50,000, is on

their records. After ſtating in what the cargo of a Dutch ſhip from Japan, conſiſted, viz. copper bars, camphire, wax-works, ſilk-ſtuffs, china-ware, ſome tea, Fingoſa rice, &c. they conclude that this market would afford but an unprofitable return for Britiſh produce. The report then ſtates, a propoſal made to the Company in 1782, to revive the trade with Japan. It appears in this propoſal, that a ſhip of 800 tons would be required, 200 of which would be ſufficient to ſtow the merchandize from Europe, eſtimated at about £.7,000 ſterling, and conſiſting of ſome broad cloth, ſerges, tortoiſe ſhells, quickſilver and ſaffron, &c. with about £.1,000, to be inveſted in preſents for the Japaneſe; and of India goods, conſiſting of Bengal ſilks, pepper, &c. the whole of the cargo valued at £.26,000 ſterling, for which, in return, might be had refined copper, 7500 peculs, at 133⅓ lb. per pecul, Engliſh weight, in camphire, 700 peculs. CHAP. II.

FROM the whole of this evidence, the report concludes, that the export trade to Japan, neither can be an object of attention to the manufacturers or merchants of Britain, nor of material conſequence to the merchants of India. Suppoſing, ſay they, that woollens, lead, &c. were ſent from Britain to Japan, to the amount of £.8,000 (and this is the extent of the probable demand) there could only be obtained, in return, about £.30,000 or £32,000 value, in copper, an article to be found in Britain, and which if brought from Japan, to be diſpoſed of in India, muſt be to the prejudice of our home mines; ſo that while we were gaining only

CHAP. II. £.8,000 of exports of one kind of our produce, we ſhould be loſing £.32,000 of another. Quickſilver, the only other article of the propoſed export, can be obtained at a cheaper rate in China, and of courſe the exchange of it could bring no return from Japan. The report therefore infers, that an export trade to that iſland may be calculated, for the commerce from one part of India to another, but would not promote the exports of Britiſh manufacture.

The report next proceeds to examine, upon evidence, the probability of an export trade to the Coaſts of the Gulf of Perſia. It ſtates, that no country appears to be better calculated for trade than the coaſts of this ſea; on the one ſide is Arabia, at the one extremity Buſſora, communicating with Bagdad and with Ruſſia by means of the Caſpian Sea, and on the other ſide, what formed the Perſian dominions, connected inwards with rich countries, and ſtretching downwards to the Indus, by which, it might be ſuppoſed, a trade might be opened through Lahore and Moultan to the countries bordering on the great Peninſula of Aſia. During the reign of Nadir Shah, they obſerve, that attempts were made to open a trade with this part of the coaſt, but the woollens were ſeized by the Chiefs, and the promiſes of redreſs never performed. From the death of this conqueror to the eſtabliſhment of the power of Carem Chan, the whole of this part of the Perſian empire was plunged in the deepeſt diſtreſs and confuſion. No protection could be obtained from the Chiefs, who uſurped the power in the countries bordering upon the Gulf, and though during

during his ſhort reign, commerce had a promiſing aſpect, yet, that ſince his death, in 1779, every thing has been confuſion and oppreſſion, till the acceſſion of his nephew Jaffier Chan. The aſſaſſination of this Chief in 1789, put an end to the proſpect of trade, and there is only a probability, which cannot be calculated on, of renewing it under his ſucceſſor. That if we ſurvey the country round Buſſora, a dependency on Bagdad and a part of the Turkiſh Empire, the difficulties of carrying on trade will be found equally inſurmountable, owing to the perpetual changes and anarchy in the government: that Buſſora itſelf, (though ſituated near the junction of the Tigris and Euphrates and the obvious ſtation for trade between India and the countries that ſtretch towards Europe) is expoſed equally to the oppreſſions of the Turks, and to the piratical depredations of the Shaiks on the Coaſts of the Gulf: that the Company have been obliged to abandon the commercial ſtations at Ormus, Gombroon, Buſhire, and Bundareck; that at the deſire of Carem Chan, they re-eſtabliſhed the ſtation at Buſhire, yet that on the whole the profits of the trade in the Gulf have never anſwered the expenſes: that when patterns of the Norwich and Mancheſter manufactures were ſent to Buſſora and Buſhire in 1788, of qualities and colours ſuited to the taſte of the Perſians, the invoice price was ſo high that the goods were returned: that from a ſucceſſion of wars, Perſia has been drained of gold and ſilver, and that for a long ſeries of years the inhabitants have eſtabliſhed manufactures of coarſe cotton and other articles for common wear, with which the ſouthern parts of Perſia are at préſent

CHAP. II. ſupplied: that notwithſtanding theſe obſtructions, European articles (and woollens in particular) would ſell in Perſia; but that to judge of the trade, we muſt take into view the profit and loſs on the whole, the means which Perſia poſſeſſes of paying for the goods, and the competitions to be expected from European foreigners, with the expenſes of maintaining the eſtabliſhments at Buſſora and Buſhire.

THE average amount of the annual loſs at Buſſora is £. 5,406 beſides £. 2,311 for ſupplies furniſhed the Bombay cruiſers and the charge of receiving and forwarding packets to and from Europe. The average amount of the loſs at Buſhire is £. 1,498 beſides £. 340 per annum to the Bombay cruiſers, equally neceſſary for the protection of the trade to both ports. The calculation of the freight for a Europe cargo to the Gulf is £. 10 per ton, excluſive of other charges which would be incurred by individuals. The reaſons which have induced the Company to maintain the ſtations of Buſſora and Buſhire were, the impracticability of forming an eſtabliſhment on the borders of the Red Sea where no protection could be given them; the poſſibility that Arabia and the interior parts of Turkey and Perſia might come under a more regular government, in which event, theſe ſtations are the beſt for trade. If preſerved, the Company's ſervants on the ſpot would obtain the beſt intelligence, and the expenſes of a new eſtabliſhment be ſaved. It is here (they add) to be recollected, that the proceeds of the goods ſold, muſt be inveſted in the produce of the country, and that the prices at which

which goods muſt be ſold, would be below the nominal course of exchange. If individuals were to receive gold or ſilver in Perſia or Turkey, inſtead of produce, the loſs from the ſcarcity of the precious metals, would be ſtill more conſiderable; if Perſian produce then, ſhould be taken in return for European articles, what is this produce? Silks, brocades, carpets, &c.* Theſe are not in demand in Europe. The imports from India, to Buſſora and Perſia, conſiſt of Bengal piece goods, chintz from the Coaſt, &c.† and a conſiderable part of theſe are got off in Arabia and Turkey as well as Perſia. Firſt, theſe exports are not Britiſh produce and would be taken in thoſe countries in preference to woollens and other European articles; next, the Perſian products are not ſuited to the Indian markets and much leſs for Europe. Hence, the Indian goods muſt be paid for in Perſia by gold and ſilver. To procure this bullion, the goods muſt be ſold at a

* To which the report adds, manufactures of ſteel, ſword blades, ſpear heads, gun-barrels, glaſs, roſe water, otter of roſes, cotton, cloths, ſome ſhawls, ſheep ſkins dreſſed in a very ſuperior manner, raw-ſilk, ſome indigo and tobacco, rhubarb, irak, drugs of different ſorts, dried fruits, cotton, mines of iron and copper, wool of the Kerman ſheep in ſmall quantities, wines, marble, and ſome trifling articles; to which muſt be added, Perſian and Turkiſh coins, Venetian chequins, German crowns, and gold and ſilver in bars.

† To which the report adds, longcloth, Porto Novo blue cloth, Malabar, Surat and Guzerat piece goods, cuttannees, cambay, chunders, broach and ſcindy cotton, cotton yarn ſhawls, bamboos, China-ware, ſugar, ſugar candy, pepper, ginger, cardemoms, cloves, nutmegs, cinnamon, caſſia flowers, muſk-lack, camphire, turmeric, indigo, tutenague, red lead, coffee, tobacco, Britiſh woollens, iron, lead, ſteel, tin, and a variety of drugs.

CHAP. II. low price; the gold and ſilver of Perſia, beſides, are drained independently of trade by the annual reſort of 10,000 pilgrims to Kubelly and Mecca. If under the whole of theſe circumſtances, the report ſubjoins, the trade between India and Perſia is a forced one, how much more would it be ſo to the European merchant, carrying Britiſh produce to Perſia to procure what gold and ſilver it could bring. The importer could not, in India or elſewhere, find a profitable market for the produce of Perſia. Having examined theſe ſubjects, the report concludes with ſtating the competition between the Turkey and the Indian Companies in the ſale of woollens in this market, at a period when the Perſian goods did bring a price in England, ſuch as ſilks, carpets, &c. Even at an early period in 1681, the Company only continued this traffic, becauſe they were compelled by their charter to ſend out woollens to the Eaſt-Indies, and carried part of them up the Gulf to prevent a total loſs. As however, the ſilk manufactures of Perſia have never been an object worthy of the attention of the Britiſh government, as the duty on the importation of raw-ſilk from Perſia has prevented our manufactures from gaining ground on thoſe of foreign European nations, as France in particular, has been ſupplied with it from Marſeilles in return for its woollen manufactures, and as Perſian ſilk finds its way in large quantities to Moſcow, the concluſion is, that the export of Britiſh produce and manufactures to Perſia, by ſea, cannot be encreaſed either by the Company or by Individuals, while that country and thoſe

adjoin-

adjoining to it remain without a regular and well eſtabliſh-ed government.

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Obſervations upon this report, ariſing from the hiſtory and actual ſtate of the trade to Japan and Perſia, and to the Iſlands in general.

FROM this report it appears, in the firſt place, that the political ſituation of Japan renders a commercial eſtabliſh-ment on it impracticable. The natives are, as yet, ſtran-gers to the principles of trade, and diſpoſed to plunder the Europeans wiſhing to ſupply their wants and to par-ticipate in their comforts. If a ſpeculator were to carry Britiſh woollens to Japan, and, in return, to take copper, he reflects not, that he might have carried the ſame article from Britain to the India market, and have ſold it to the Indians at a lower price. But ſuppoſing the adventurer to be allowed an open trade to Japan, and that upon a little capital, and in a ſmall ſhip of 200 or 300 tons, ſuch as the Americans ſent to India, he could try the experiment of trading in woollens, &c. and of bringing copper, &c. from that iſland, which might or might not ſell in India; it is doubtful whether the profit would pay the charges, and whether he could repeat the voyage, and not leſs ſo, whether he would be flattered by imitators. It is rea-ſonable, however, to conclude that he would not obtain the ſanction of the Legiſlature for the expedition; becauſe by giving it, they would deprive the Eaſt-India Company of the profits (ſuppoſing the natives to become morecivilized than they are) which the Proprietors of India ſtock are entitled to draw, to reimburſe them for their laudable and expenſive efforts, to find a market in Japan for the exports of their country.

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From this report it appears, in the next place, that the political anarchy on the coafts of both Gulfs, have rendered trade almoft impracticable in either. In proof of this obfervation the Directors might have reforted to their commercial hiftory, and added, that the Company have attempted to form an eftablifhment at Tatta and to carry the fale of Britifh produce, particularly woollens, up the Indus, through Lahore into Candahar and the adjacent kingdoms; but that after many trials, and after giving confiderable bribes to predatory Chiefs, they could only obtain grants, which were receded from as foon as given: that though this ftation furnifhed feveral articles in demand in the China market, and, in particular, falt-petre of a fuperior quality for the Europe market, yet that it could not be maintained without a naval and military force, and that of courfe they were compelled to relinquifh it: That they had attempted fettlements at Ormus and Gombroon, but had been driven from both of thefe places, and that though they had aided Carem Chan, and the Shaik of Bufhire, alternately with the Turks, by their Bombay marine and troops, yet that they could neither recover the prizes which the pirates from the ports of thefe Chiefs had taken, procure re-imburfement from the Bafhaw of Bagdad, the Mufaleem of Buffora, or the Grand Seignior, the fuperior of both, nor the expenfes incurred by the fleets and forces which had defended their poffeffions againft the Chaub and Shaiks. That they could not even, when thefe juft claims had been receded from, obtain privileges of trade at Buffora, which could balance the

the profits, drawn by the French and other Europeans from their overland commerce by Bagdad to Busſora: that, in fine, though poſſeſſed of thoſe Indian provinces which yielded the piece goods, opium, &c. ſought after by the Arabs on the ſhores of the Red Sea, and though admirals of the Mogul, for the Guzerat, and carrying pilgrims from Surat to Judda; yet, that, without a force which the profits of the trade to the Red Sea could not pay, they neither could procure the coffee and the other articles of Arabia ſought by the Perſians and the Turks, nor bring thoſe articles home in quantities ſufficient to lower the price to the purchaſer in Britain, or on the continent of Europe; much leſs, in ſuch quantities as could in any degree, enable them to meet in the market the low price, to which the Weſt-India coffee had been reduced in Europe. Speculation, thus, in trade, if it is the ſpring of Induſtry, may alſo be its bane; for, like Ambition, it is an object of admiration only, when it is guided by Reaſon and Experience. CHAP. II.

To cut off, however, every cauſe of complaint from the private merchant, the Company, as in the India and China trade, may be obliged to furniſh him with ſhipping at a reaſonable rate of freight. In this caſe, however, from the danger and uncertainty of the trade to the iſlands and to the Gulfs of Perſia and Arabia, it will be reaſonable, that not only in the exports and imports ſuch merchant ſhall proceed ſolely on his own riſk, but that ſuch ſhipping ſhall be at his ſole expenſe, unleſs the Company

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pany ſhall find it expedient to renew the meaſure of ſending ſhips to theſe ſeas on their own account.

Objections to be expected from the agents and emiſſaries of foreign companies.

In the fourth place, the opinion of the Public, as well as the deliberations of the Legiſlature, will have to meet embarraſſments from the agents or emiſſaries of foreign European companies. While the trade to the Eaſt-Indies was carried on by the other European nations, and by the Engliſh, merely as a trade, no other difference exiſted between them but the prices which the exports of each would bring in the Eaſtern markets, and the quantities of Aſiatic produce which each could diſpoſe of at their Europe ſales. During this period, the balance of trade vibrated between Holland, France, and Britain, with the weight which the companies of Denmark and Sweden could throw into the ſcale. The contraband trade from Holland, Sweden and Denmark, chiefly operated againſt Britain, and did little if any injury to the India trade of France. From the period, however, at which Britain acquired its territorial poſſeſſions, and could not only throw the ſurplus revenue into its trade, but by the magnitude of its concerns, bear down thoſe of its former rivals, a natural jealouſy of its commercial and political influence in the Eaſt united foreigners in the common meaſures of counteracting our progreſs. Hence the plans in France, after the peace 1763, of opening the trade to India; and, when this expedient failed, of re-eſtabliſhing their Eaſt-India Companies with new privileges. Hence the queſtions which had nearly led to a war with

Spain,

Spain, upon the Company's endeavouring to carry their trade to new corners of their limits; hence the efforts of the Dutch and French to exclude the Company from a trade on that part of the Malabar Coaſt, which has recently been added to the Britiſh empire; and hence the practice of an illicit commerce to the Eaſt under the Swediſh, Daniſh and Imperial flags.

To prove, that foreigners have beheld the encreaſe of the Britiſh power and trade in the Eaſt, with envy, requires only our recollecting the general combination which was formed among the Indian powers during the war 1784; that the ſcheme did not entirely ceaſe at the peace of that year, needs only for proof an appeal to the ſource of the late war with Tippoo Sultan, and of the promiſes he obtained from France of aſſiſtance, in diſturbing the tranquillity of the Carnatic. Though the politics of Europe have taken an unexpected turn, and though no foreſight can conjecture the iſſue, ſtill Britain will have to conſolidate its power in the Eaſt, and to expect the ſecret oppoſition of rival nations. Should the credit which the joint-ſtock of the Engliſh Company, and the relation which Indian revenue bears to the trade be interrupted, foreign companies might employ portions of their joint-ſtock to bear down our trade in China and in India. With credit greater than that of the private merchant, if they could not obtain a ſuperiority in the Indian commerce in which our power or influence might check their machinations, they might ſoon acquire a decided ſuperiority in the trade to China. Already known

CHAP. II. in that market, foreign companies would, in ſuch circumſtances, endeavour to excite jealouſies of the Engliſh. A ſingle irregularity in the Britiſh private trader, would give their opponents a preference in it, and thus, if our recent conqueſts have any value, from putting in our hands the commodities fitted to ſtrengthen the commercial intercourſe between India and China, we might, by affording foreigners the means of counteracting us, deprive ourſelves of one of the moſt profitable ways of realizing the Indian revenues in England.

It cannot, therefore, remain a queſtion, that the agents and emiſſaries of foreign nations, wiſhing to participate with us in the India trade, will ſecretly endeavour to prevent the renovation of the Company's charter, in the hope that, as foreigners, they might draw part of the trade to themſelves, or as adventurers connected with Engliſh merchants, might carry it on partly on Britiſh capitals. It is to be recollected, that if the excluſive privilege ſhould be taken from the Company, and the revenues be placed entirely under the management of the executive power, it is doubtful whether any controul over the India Company's trade could be continued, any more than it is exerciſed over the trade of any other commercial Company in this country. It is obvious, however, that the Company would ſtill continue a body corporate, entitled to trade on a joint ſtock: that foreigners, by becoming purchaſers of ſtock, might acquire an undue influence in Leadenhall Street, and that this influence might be uſed to divert the imports from the

Eaſt

Eaſt into foreign ports, to the detriment equally of our home cuſtoms and duties, and of the general navigation of Britain. The number of ſhips employed in the import trade as well as the tonnage occupied by the re-export trade, might, by ſuch a meaſure, be diminiſhed or loſt.

Consequences of liſtening to them.

SUPPOSING, however, theſe evils to be imaginary only, there is one conſequence of depriving the Company of its excluſive rights, of which foreign nations muſt obviouſly avail themſelves. In the event of Britain being involved in a war, either in Europe or in India, and our trade to the Eaſt, at the ſame time, being laid open, not only foreigners as merchants, but the private Britiſh trader, who had riſked his capital in the trade to India or to China, in ſhips under foreign flags, would ſhelter himſelf under a neutral flag and become poſſeſſed of the greateſt ſhare of the trade. Neutral powers in Europe could, in ſuch circumſtances, carry on the trade both export and import, without any but the common riſks in peace, while either the Company continuing to trade on their joint ſtock, or the private Britiſh merchant, in the capacity of a fair trader, would be expoſed to all the contingencies of war. The balance of profit, of courſe, would be in favor of foreign countries, or of the illicit Britiſh trader under their flags, while the Company and fair private trader neither could ſupport a competition with them, nor the expenſes of a long circuitous voyage. They could not, were even this objection unfounded, defray the charges of an encreaſed inſurance, nor bear up under the loſſes of capture by an enemy. If then foreign nations, from a natural

 rivalſhip,

rivalſhip, will endeavor, by their agents, to ſnatch from the Engliſh Company the privileges which it enjoys, and if, as the moſt ſuccefsful means of bringing about this end, they would ſecretly inſtigate the Britiſh adventurer to unite with them in meaſures, the tendency of which, from a natural love of his country, he probably does not foreſee, nor if he did, would be induced to ſupport, it is the duty of the Engliſh nation, about to decide on the greateſt commercial queſtion which has ever been ſubmitted to their candor and judgment, and for the Legiſlature, in a particular manner, to be on their guard, againſt the inſidious ſchemes of its foreign, ſecret, or avowed enemies.

Theſe Objections afford an additional reaſon for continuing the excluſive but modified privileges of the Company.

Having thus pointed out the probable means which men who wiſh to become adventurers in Eaſtern trade, which men, who are to draw their fortunes from ſtock-jobbing or who will try to engraft, on Indian affairs, their domeſtic political ambition, and which men, who are to ſpeculate in our manufactures, and the emiſſaries or agents of foreign companies may reſort to ; and having endeavoured to guard the Public againſt their plauſible, but inſidious ſchemes, by ſtating the probable conſequence of adopting them, we have now only to recur to the principle, upon which it has appeared expedient to renew the charter of the Eaſt-India Company, and to bring forward propoſitions for the future regulation of the trade. Theſe propoſitions, it is obvious, muſt accord with the nature of the government required for Britiſh India, and of the judicial, financial, and military powers under this government. They

muſt

muſt alſo be calculated to invigorate the trade which binds India to Britain, and have, as the leading object, the mutual benefit of the Eaſt-India Company and of the Public.

The whole of the Eaſt-India trade diviſible into exports, circuitous exchange within the Company's limits, and imports to Europe.

THERE are three diſtinct aſpects of the Eaſt-India trade, the exports from Britain; the exports from India circuitouſly to the Iſlands, to China, and to Britain; and the imports, in general, from the Eaſt-Indies to Britain, conſiſting of Indian and Chineſe manufactured produce, raw materials for our manufactures, and the re-exportation of the former to European or other markets.

UPON the ſuppoſition that the excluſive trade ſhall be conferred by the Legiſlature upon the Company, for a further term, it is to be recollected, that though the management of the trade will neceſſarily be in the hands of the Directors and Proprietors, ſtill it is to be a regulated trade, and in its principle and progreſs to be under the controul of the Commiſſioners for the Affairs of India, and of Parliament. The following ſuggeſtions, therefore, on the branches into which the trade divides itſelf, viz. Exports from Britain to the Eaſt, circuitous trade within the Company's limits, and imports to Europe, with which is connected the re-exportation trade from Britain to His Majeſty's European dominions, or to the dependencies of the Britiſh empire, are ſubmitted for conſideration.

FIRST. It is ſuggeſted, on the ſubject of the export trade, and with the object of removing every objection againſt the

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Export Trade. To open through the Company's ſhips, the export trade to the private merchant and manufacturer on their own riſk.

excluſive privilege of the India Company, that the export of Britiſh Produce ſhould be opened to the individual merchant or manufacturer, upon his own riſk; that is to ſay, that the Company ſhould find ſhipping at a moderate rate of freight, to the individual merchant or manufacturer, who may chuſe to export produce from any of His Majeſty's European dominions to ports or places within the Company's limits, intimation being firſt given by ſuch exporters, (at a time to be ſpecified) ſome months, at leaſt, before the commencement of the ſeaſon, at which the Company's ſhips leave Europe, of the quality and quantity of the goods he intends to ſend, and ſecurity that the goods are to be ready for reception into the Company's warehouſes by a ſpecified day. By this expedient the individual exporter will have every advantage, which he could propoſe, from an open trade to the Eaſt-Indies, and yet the Public will have ſecurity, that the preference which the Britiſh produce has had in the Eaſtern markets, ſhall continue upon the ſolid baſis of the intrinſic value of the goods. The great national object thus will be gained, viz. that of extending the export trade as far as the demands for our produce, crude or manufactured, will bear*.

SECOND.

* In illuſtration of this propoſition, it is to be obſerved that theſe exports conſiſt of ſuch articles as are manufactured from materials which are Britiſh, ſuch are woollens, hardware, lead, tin, copper, &c. and of ſuch articles as depend upon materials brought from the Eaſt-Indies, ſuch are wrought cotton, ſilks, &c. The export of both kinds ſhould be of a quality that will preſerve the eſtimation in which Britiſh manufactured produce is held in the Eaſtern markets. It is alſo to be obſerved, that the Britiſh mines can furniſh lead, tin, copper, &c. of an equal fineneſs and at a lower price than theſe articles can be had, either from the Continent of Europe, or from the Eaſtern Iſlands. The Court of Directors have liſtened to this propoſition

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Circuitous Trade.—First the Company to employ ſhips in carrying Indian produce to the different countries within their limits.

SECOND. It ſuggeſted on the ſubject of the circuitous trade. 1ſt. That it ſhall be recommended to the Company to lay down ſuch regulations for their foreign government as may tend to encreaſe the exports from India to China and the Iſlands, and to the Gulfs of Perſia and Arabia. For this purpoſe they might annually ſend out a certain number of their ſhips, before the time at which the ſhips of the ſeaſon uſually leave England, or at leaſt, as early as the nature of the voyage will admit of their ſailing, for Coaſt and for China, for the purpoſe of taking on board, on the Company's account, ſuch parts of the produce furniſhed by our former, or by our new acquiſitions, as are in demand in the Iſlands, in China, or at the Company's ſeats of trade upon the Coaſts of the Gulfs of Perſia and Arabia. It might be left to the reſpective preſidencies, to judge from the price theſe articles will bring at the different markets, what quantities of Indian produce will find a ſale, ſufficient to defray the encreaſed expenſes of the voyage.

IN illuſtration of this plan, it may be obſerved, that by ſuch an expedient, the profits of the trade abroad would be conſiderably encreaſed, and the exports from India, of the foreign European companies to China, diminiſhed.

propoſition with a liberality that reflects honor upon their proceedings, in their "Obſervations upon a Letter from the Right Honorable Henry Dundas, dated the 16th February 1793," they propoſe to furniſh, every ſeaſon, four ſhips for Bengal, two for Madras and two for Bombay, of 800 tons each, or tonnage equivalent thereto, for the purpoſe of receiving any of the manufactures of Great Britain or Ireland, at the freight of £.10 per ton, weight or meaſurement (recruits in time of war excepted), if the ſame ſhall become neceſſary. Page 15 of "Papers reſpecting the Negociation for a "Renewal of the Eaſt-India Company's Excluſive Trade."

 Many

CHAP. II. Many of the productions of India, find a profitable market in China, from the circumstance of English property being vested in that trade, as carried on by foreigners. It has been common with the Company's servants, and other licensed inhabitants, to advance a sum to the private merchant in India, on a respondentia bond. With this sum the merchant purchases India goods, (for example) for the China market, and having sold them at Canton, he is enabled to purchase China produce for the European markets. The bond is payable in London, by the owners of such ships, and sent for acceptance, either to agents of foreign companies in England, or to the Danish and Swedish companies. An interest of about 9 per cent. is paid on the bond, from the time it is supposed the original cargo has been sold in China, or the China goods in Europe; that is, 6 or 9 months interest is drawn, at the same time that the principal is paid off, and that generally about twelve months after the arrival of the ship in Europe; in other words, when the borrower of the money has realized the whole profits of the voyage. In this way, foreigners have been enabled to trade upon a capital that is British, to the detriment equally of the circuitous trade in India, and of the Company's sales in London.

It may also be observed upon this measure, that not only our ancient possessions, from the nature of the produce they afford, but our recent acquisitions, in a particular manner, are calculated for this circuitous commerce. From an authenticated account of the Company, it appears that the cotton imported at Canton from India, from 1775 to 1784 inclusive,

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inclufive, amounted on an average in Company's fhips, to 673 tons 15 cwt. in country fhips to 930 tons 10 cwt. annually. The average by foreign fhips annually, 260 tons 5 cwt. and that the average price for 10 years, was 168 tales per ton. Judging from this fingle example, and from the general accounts of the private traders from India to the Iflands or to China, or to the Coafts of the Perfian and Arabian Gulfs, it would be advantageous to the general interefts of England to carry on the trade from India to China, as far as poffible, upon the Company's credit and account; for fuppofing the former minutenefs of their concern in this way to have arifen from the difficulty of making up an affortment of Indian produce for thefe markets, that difficulty is now done away by our late territorial acquifitions. We have now no longer a native power, like Hyder Ally or Tippoo Sultan, to reftrain and oppress the Company in procuring the pepper, fandal wood, &c. on the Malabar Coaft, but are, in fact, the Proprietors of the country which produces thefe articles. Hence, if the furplus revenues from all our poffeffions can pafs more profitably to Europe by a circuitous trade to China (and this muft be the cafe from the profits on refpondentias already referred to), it is of importance, that this branch of the Company's trade fhould be under a regulation proceeding immediately from the Directors themfelves.

Cafes in which country fhips may be employed in this trade.

In the event of the non-arrival of the Company's fhips deftined for the fervice, it may be for the confideration of the Directors, whether they ought not to authorize the Prefidents and

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and Councils of Bengal, Madras and Bombay, to prepare cargoes of Indian produce for theſe markets, and to take up country ſhips at a reaſonable and ſtated freight, and ſend them with India produce direct to Canton, or to ſuch ports of China, into which (in the event of the embaſſy ſucceeding) the Britiſh ſhips may find admiſſion. It is obviouſly for the intereſt both of the Company and of the private merchant, that none of the contingencies, incident to a long navigation, ſhould impede the returns expected by the one or the other.

SHOULD the preſent embaſſy ſucceed in their attempts to open a trade into the interior of the Chineſe empire, the exports, both from Britain and India carried to the China markets, would then be lowered as much as poſſible in price in that market and augmented in quantity. The factories in China would of courſe be able, at all times, to have goods ready to be exchanged for what quantities of the China produce the Company may require, to bring down the prices in the Europe market, below that at which the European Companies can ſell, whether ſuch articles as are for immediate conſumpt, as teas, &c. or ſuch articles as miniſter to our own manufactures, as raw-ſilk, &c. or may be in demand for re-exportation to the foreign European markets, as teas, porcelain, &c.

2. To eſtabliſh ſuch intermediate ſtations of trade in the countries within the Company's limits: as the trade to them can afford.

SECOND. It is ſuggeſted for promoting this circuitous trade, to eſtabliſh as many intermediate ſtations between India, the Iſlands, China, and the two Gulfs as the trade will admit of. On this ſubject, we muſt for illuſtration have

have recourſe to the experiments already made, or to thoſe making by the Company. From the report of the Directors upon the trade to the Gulfs of Perſia, it appeared, that Indian is better ſuited than European produce for that market, and that if Perſia has little to return but its limited quantity of gold and ſilver, at ſuch an unprofitable exchange, as has hitherto made the trade with it, rather a forced one, ſtill that this commerce muſt chiefly be carried on between India and Perſia, rather than between Europe and Perſia. It has been found too, that though the Iſlands will accept of many European articles, yet that the Indian produce will find a better ſale in them. It has been found alſo that theſe Iſlands furniſh many articles which they give in return for European and Indian produce, and that articles will be accepted of in the China market, as elephants teeth, coral, &c. in particular, that the new trade to Nootka Sound furniſhes articles in general demand in the north of China, as furs, and that, upon the whole, though the plan of eſtabliſhing new ſtations in the countries within the Company's limits may be an expenſive one, yet, that the Company alone can carry it into effect, and ought to be encouraged in forming them. In this way, the returns to Europe will neither depend upon our exports alone, nor upon the weight which the ſurplus revenue paſſing to Europe, neceſſarily throws into the general trade of the Company: The profits of a trade it muſt be remembered, do not ſo much depend upon the price which any one commodity will bring, as upon the number of profitable exchanges which can be introduced into the circle of it.

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Import and re-exportation trade.

On the ſubject of import and re-exportation, it is for the Legiſlature to conſider in what way this important branch of the Eaſt-India trade may be improved. In ſubmitting obſervations upon this ſubject, it ought to be premiſed, that during the laſt twenty years the Britiſh manufacturers have, out of materials brought from the Eaſt, imitated moſt of the productions of the Aſiatic arts, and with ſo much ſucceſs, as not only to have divided the profits with the Company, but to have, by their progreſſive ſkill, checked the encouragements required for reſtoring internal proſperity to the induſtrious artizan and manufacturer in India. To curb the Britiſh manufacturer, on the one hand, would be unfair, to ruin the India manufacturer would be unwiſe; the proſperity of an empire depends upon an equal diſtribution of advantages to all the parts of it. The Legiſlature, of courſe will have to take care that neither the Aſiatic ingenuity and induſtry ſhall fail of its reward in the Eaſtern and European markets, nor the European ingenuity and induſtry be in want of materials on which they can be exerciſed; the markets of the world may be opened to both, and the competition of the diſtant parts of the ſame empire become the ſource of their common proſperity.

1. Encouragements to be given for the culture of raw materials for our manufactures and articles of conſumpt in China, &c. and in Britain.

First. Upon theſe ſubjects, it may be ſuggeſted, in connection with the ſettlement of the rents of lands, and duties and cuſtoms upon arts and commerce in India, as marked out when treating of the financial power, to hold out to our native ſubjects in Hindooſtan every poſſible encouragement for raiſing and exporting ſuch raw materials, as either are uſed

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by our home manufacturers or are in consumpt in our home markets; of the former kind are cotton, raw-silk, &c. of the latter kind are, indigo and sugar from the Bengal Provinces, and pepper and cinnamon from our new acquisitions on the Malabar Coast. The first of these kinds of produce comprehends articles not only in demand in Britain, but in China, so that while the encouragement to raising cotton (for instance) will cheapen the price of that useful article at home, it will also serve as a profitable article of export to China, there to bring a price to be invested in the produce of that country of a crude kind, as raw-silk for our home manufactures, or articles of luxury, as teas for the Company's sales. It has, in illustrating a variety of points on this subject, been already observed, that the Indian produce, such as pepper, sandal-wood, &c. are in demand in the China market, so that the encouragement in raising them will tend to the common advantage of our Asiatic dominions, and of the trade which is to connect them circuitously in remitting the surplus revenue to Europe. The latter of these classes of produce, or articles for the consumpt in Europe, such as indigo, sugar, &c. while the culture of them will restore internal prosperity to the Indian provinces, it will have a material effect upon the home manufactures and market. The culture of indigo for example, will bring the price of it sufficiently low, to prevent combinations among the West-India planters for keeping up the price of that necessary article in the woollen manufacture, and thus enable the merchant to export with more advantage the staple of this country. The culture of sugar will be equally advantageous to the Indian farmer and trader,

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by enabling him to difcharge the rents on a property now made perpetual to him, and it will tend to throw a fufficient quantity into the market at home, of an article which has now become almoft a neceffary of life, and intimately connected with the confumpt of the imports from China, while it will prevent the combinations of which the public have, with fo much reafon, complained. By thefe combinations the Weft-India merchants have raifed the prices in the home market, and at the fame time, enriched themfelves by drawbacks on the re-exportation.

2. The Company to furnifh the private merchant with fhipping for bringing home raw materials in return for his exports, or to grant him bills.

SECOND. It is fuggefted in connection with the plan of obliging the Company to furnifh fhipping at a reafonable rate of freight, to the private merchant, for the export of Britifh produce, to require them to find fhipping, at a like reafonable rate, for fuch imports of raw materials from the Eaft-Indies for our home manufactures, as the fale of the exports can purchafe, or to direct the prefidencies abroad to give them bills for the proceeds of their exports, upon fuch terms as may encourage the export trade from Britain, and afford a fufficient compenfation to the private merchant for making the return by bills, in place of doing it by an homeward cargo. This indeed is but the neceffary link, in the chain of exchange, by which, without any rifk to the home revenues, the trade can be opened. For the Company, on the one hand, if they do not import materials fufficient for the home manufacturer, and at fuch price as he can work with profit, will have no reafon to complain of thefe materials being brought home at the rifk of another, particularly when they are to have

4 freight

freight on the import; and the private merchant or manufacturer will have as little reaſon to complain, ſince he, by this expedient, will have an opportunity of ſpeculating to the utmoſt extent of his capital, without being expoſed to the temptation of defrauding the public revenue, by carrying Eaſt-India imports to foreign markets, and without being expoſed to the charges of ſhipping and inſurance, beyond a reaſonable rate, either on his export or import trade.

3. The duties on imported India and China produce to be modified.

THIRD. It is ſuggeſted to modify the duties upon the imports of Eaſt-India produce, on the following principle. Upon the import of manufactured produce in the proportion that will keep up a fair competition of ingenuity and induſtry between His Majeſty's Britiſh and Indian ſubjects; upon raw materials, in the proportion that will give a decided ſuperiority to the Britiſh manufacturer over the manufacturer of the ſame articles among foreign European nations; upon the Eaſt-India articles for conſumpt, as indigo, ſpices, &c. from our own ſettlements, teas, &c. from China, as ſhall enable the purchaſers at the Company's ſales, to buy with greater advantage than they can do at thoſe of foreign companies, and, as in the caſe of teas (ſince the paſſing of the commutation act,) to give to His Majeſty's European kingdoms the balance both of trade and of profit againſt foreigners, who, from not having Aſiatic dominions nor ſuch large inveſtments, muſt neceſſarily loſe in the competition.

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4. Illicit trade to the East-Indies by British merchants trading under foreign flags, to be checked.

THIRD. It is ſuggeſted, that the 9th Geo. I. which eſtabliſhed certain penalties againſt thoſe concerned in the Oſtend Eaſt-India Company, ſhall be explained and amended. Though this Company was aboliſhed by a treaty, ſubſequent to that period, the trade has, of late years, aſſumed a new and formidable aſpect. It has been a practice with private adventurers in London, to purchaſe old India ſhips; after giving them a thorough repair, theſe ſhips are ſent to Oſtend, and loaded with goods from Holland, the Auſtrian Netherlands, and France, with a ſmall quantity of Britiſh produce, ſuch as the Company ſend out, but chiefly with military ſtores, to be diſpoſed of to the country powers. On a Britiſh capital, in this manner, and with a Britiſh ſupra-cargo, though with a nominal foreign captain and under a foreign flag, the veſſels employed in this trade have reſorted to India and to China. Such part of their exports as are Dutch, French or German, as ſpirits, wines, &c. give advantages in the Indian markets to foreign nations, and check the Company in their ſales of the ſame articles. Did their exports of Britiſh produce conſiſt of Britiſh woollens, hardware, &c. only, there might be a reaſon for encouraging them; but as they chiefly conſiſt of military and naval ſtores, to be diſpoſed of among the native powers; allowing theſe articles to be furniſhed by Britain, the trade is only calculated to injure the Britiſh provinces in the ports in which theſe nominal foreigners, but really Britiſh ſubjects, find protection.

tection.* Upon the return of the veſſel from India or from China, under pretext of touching at Britain, one part of the import cargo is ſmuggled, and another part has been carried to Oſtend, either to be diſpoſed of in Flanders, Germany, and the North of France; or to be kept in warehouſes to be ſmuggled as part of a contraband cargo of European goods into Britain or Ireland, or to be ſent to our American and Weſt-India dependencies. Such are the facts, and it is for the wiſdom of Parliament to deviſe expedients for remedying this growing evil. It will be allowed, that it is contrary to the faith of treaties to interfere with the flag of a foreign power; but it has been not leſs contrary to the good underſtanding ſubſiſting between the Britiſh and Imperial courts, for the latter to afford its protection to the ſubjects of the former in a commerce obviouſly tending to abridge our revenues. Laying aſide, however, reaſoning on the faith of treaties, or the honor of nations, Parliament may declare the trade to be illicit; and upon proof that the ſhips, goods, and crews are Britiſh, confiſcate the two firſt before the ſhips leave the Thames, and outlaw the laſt. Parliament may alſo ſubject the ſale of the cargoes in the Britiſh ports in India, though it cannot in China, to duties amounting to a prohibition. If the excluſive privilege of trade is to be renewed to the Company, upon the principle, that this is the moſt expe-

* It has of late been a practice with the owners of theſe ſhips, to purchaſe French woollens at Abbeville, and French imitations of the Britiſh hardware for this trade, at a lower price, and of an inferior quality, than they can find them in Britain.

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CHAP. II. dient for the nation, the Legiſlature will, of courſe, extend its protection to them in every poſſible way.

5. The Company's ſales to be farther improved.

FOURTH. It is ſuggeſted, that means ſhould be deviſed for ſimplifying the Company's ſales, and doing away the complaints which have, (perhaps improperly) been made on this ſubject. The retailer has complained that the lots have been too large, and the private conſumer that they have been inacceſſible to him, from the ſame cauſe. The retailer, in the diſtant towns of Britain itſelf, and much more thoſe, who purchaſe Eaſt-India goods by commiſſion, to be re-exported to the Britiſh dependencies and to foreign countries, have complained, that the expenſes of agency and of carriage have raiſed the price they can ſell at, ſo high, that they frequently are unable to meet the ſmuggler or the illicit trader in the market, at leaſt with the ſame advantages that the retailers can do in London. If, on the one hand, it would be difficult and perhaps dangerous, to innovate on the preſent practice at the Company's ſales, of which, for their own intereſt, the Directors and Proprietors are the beſt judges; on the other, it is certainly for the advantage of the Company, that ſuch meaſures ſhould be adopted, as ſhall do away all manner of reaſonable complaint in the purchaſers, foreign or domeſtic, among whom the conſumption and diffuſion of Eaſt-India imports to Britain depend. Leaving then the ſales with the Directors alone, as at preſent, it is ſuggeſted, that it be recommended them to make, from time to time, ſuch regulations for extending the benefits of their ſales to the individual, the retailer, and the

 re-exporter,

re-exporter, as may tend to remove complaints upon this ſubject, and that theſe regulations be communicated to the Commiſſioners for the affairs of India. CHAP. II.

Result of the whole of this commercial ſyſtem.

Such ſeems to be the plan, upon taking a general view of all the circumſtances, which appears to be calculated for maintaining and invigorating the trade of Great Britain in the Eaſt-Indies, in connexion with the political arrangements required for our dominions in Hindooſtan and its dependencies, during the propoſed prolongation of the Company's term.

HISTORICAL VIEW

OF PLANS,

FOR THE GOVERNMENT AND TRADE OF

BRITISH INDIA, &c.

CHAP III.

IDEA OF THE DOMESTIC ADMINISTRATON, WHICH, IN COINCIDENCE WITH THE PRECEDING PLANS OF FOREIGN GOVERNMENT, AND OF EAST-INDIA TRADE, APPEARS TO BE PRACTICABLE AND EXPEDIENT FOR RENDERING THE BRITISH PROVINCES IN ASIA AND TRADE TO THE EAST-INDIES MORE EFFICIENT BRANCHES OF THE EMPIRE, AND OF ITS RESOURCES.

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respects

refpects the Bufinefs of the Board.—4th. Suggeftion, refpects the Powers of the Commiffioners and Directors in forming Plans for the Improvement of Indian Affairs.—Refult of thefe Plans.

The relation of the foreign dependencies of an abfolute government, difficult to be maintained.

THE engrafting a diftant and dependent territory, upon an abfolute monarchy, is only adding another degree of power to a body, the ftrength of which encreafes with its magnitude. The difficulty, in this cafe, is to find the means of preferving the allegiance of the officer, to whom this fhare of power is to be delegated. The temptations which a fituation, remote from the feat of empire, afford him, of afferting and eftabalifhing his independence, have frequently been found to be irrefiftible. Affailed by them he betrays the truft repofed in his allegiance, and yields to them in proportion as the fpirit of a government becomes defpotic. Thefe circumftances feduced from their duty the Proconfuls of the provinces of Imperial Rome, and they made rebels of the Mogul Omrahs who were Governors in the diftant Soubahs. Both oppreffed the fubjects and both amaffed the wealth with which they were firft to hire followers, and next to dethrone their mafters. The one prepared the empire of the Weft for the inroads of the Goths, the other that of the Eaft for the Perfian, and Afghan fpoilers.

IN monarchies of a defined character, allegiance is more pofitive in its nature, and the relation of the diftant territory to the fovereignty more fixed. While the French

 monarchy

CHAP. III. monarchy was in its vigor, a ſenſe of honour dictated fidelity in the Governors of its foreign ſettlements, and "a "proud ſubmiſſion" to its monarch, inſpired a zeal in its officers for the glory of their country. M. Dupleix, with all the vanity and levity of his nation, ſought only to give to France an empire in Aſia, that ſhe might curb the trade of Britain in Europe; with the example of the Omrahs before him, he dreamt not of imitating their rebellion. The allegiance of the ſubject, in this caſe, was as honorable, as it was ultimat ely unrewarded. Even the miſconduct of his ſucceſſors, which loſt to France that reprize which the bold deſign of Dupleix had graſped at, remains a proof of the facility, with which the ſpirit of the monarchy would have enabled France to have retained, had it acquired an Aſiatic empire.

The relation of foreign dependencies to a free government, a perpetual ſubject of political jealouſy.

IN governments, again, which have a free defined conſtitution, like Great Britain, the difficulty of preſerving the relation between diſtant provinces and the ſovereignty ariſes ſolely from the political arrangements required to maintain them. From the nature of the Britiſh conſtitution this relation muſt invariably be a ſubject of political jealouſy. Should the officer, to whom the power is delegated, on the one hand, be at the command of the executive power, then the legiſlative power might apprehend, that he could become an inſtrument fitted to abridge the privileges of the ſubject. Should the ſame officer be entirely in the nomination, and under the controul of the Legiſlature, then the executive Power might be depreſſed below its conſtitutional character, and,

and, in the event of a war, could not be exerted with the energy or promptitude neceſſary for the ſafety of the State. It is a domeſtic government between theſe two extremes, in delegating power, which points out the ſyſtem required for Britiſh India. It muſt give to the Governors abroad, the authority required to preſerve a diſtant poſſeſſion, and yet it muſt limit them in the exerciſe of it, by the reſtraint of the approbation or diſapprobation of the Legiſlature. A ſyſtem of this kind cannot ariſe from theory alone, for though the theory might be perfect in deſcription, it would be without the experiments which fit it for practice, or that could reconcile it to the progreſſive actual ſtate of affairs.

The preſent ſyſtem of adminiſtration of Indian affairs, modified by new regulations, has all the advantages of experience in its favor, and none of the dangers incident to untried theories.

THE preſent domeſtic ſyſtem of Indian government will fully illuſtrate theſe principles. At firſt view it may appear extravagant, that a Company of Merchants either ought to be entruſted with the adminiſtration of extenſive provinces, or that they could have exerciſed this privilege, ſo as to have preſerved them to their country. It muſt appear not leſs extravagant, when the controul of this power was entruſted to the executive government, under a reſponſibility to Parliament, that the Commiſſioners for the affairs of India ſhould have been clogged in their operations, by the interferences of a commercial body, conſtituted upon ſo vague a principle, as the purchaſe of a ſhare of proprietary ſtock. Events, however, have ſhewn, that theſe apparent incongruities in the domeſtic government of our Aſiatic poſſeſſions have, in fact, been

CHAP. III. been the ſource of their proſperity. The Company, though their conqueſts were unexpected, had acquired the habits of adminiſtering the government of them, in connexion with the trade which was to bring home the revenues for the benefit of the Proprietors and of the Public at large. Allowing for all the errors which individuals among the Directors may be ſuppoſed to have committed, ſtill the Court was acquainted with the nature of our Aſiatic poſſeſſions and trade, and when placed under the controul of the executive power and of Parliament, has been diſtinguiſhed by a beneficial management of both. The India Commiſſioners muſt, at firſt, have been comparatively ſtrangers to the events which could guide them, in the adminiſtration of Indian politics and finance, and more particularly ſo, to the exchanges required by the ſpirit of the trade which brought the ſurplus revenues to be realized in Britain. Without therefore the opportunities to draw knowledge from the Directors, the moſt enlarged and liberal principles of government might not have been applicable to the political ſituation of India, and the fineſt theory of commercial œconomy, might not have ſuited the actual ſtage of trade in which the Company were proceeding. If, on the one hand, without the knowledge of the general intereſts of the empire, the Directors might have involved the Company and the nation in political evils; on the other, without the information which the Directors could give, on the relation which the trade bore to the revenues, adminiſtration could not have brought the Indian intereſts of the nation to the ſtate in which we happily find them. It

will

will be allowed, that the Commiſſioners for the affairs of India may have often been obſtructed by the remonſtrances of the Directors, but this circumſtance has rendered the orders of this Board more coincident with the political ſituation of the Eaſt, and more beneficial to the Company; and it will be admitted, that the Directors may have had their commercial enterprizes modified by a neceſſary caution in the executive power. Theſe circumſtances, however, have been the ſource of proſperity to the Company and to the nation. To this mixed ſyſtem then, of adminiſtration, combining in it the experience of the Company in trade and in Indian affairs, and the knowledge and exertion of the executive power, ſtimulated by their reſponſibility to Parliament, we muſt aſcribe the beneficial arrangements which have been introduced into our foreign poſſeſſions in Aſia, and the plans which have been deviſed, at home, for maintaining and invigorating the trade to the Eaſt-Indies. The concluſion is neceſſary, that, in coincidence with the preceding ſyſtems of foreign government and of trade, it will be more wiſe to continue the preſent ſyſtem of domeſtic Indian government, founded upon the baſis of old and eſtabliſhed practice, than to adopt any plauſible theory, merely for the fame of a new or ſplendid experiment. CHAP. III.

In continuing the ſyſtem of domeſtic government on its preſent baſis, with ſuch alterations and modifications as the enlarged limits of the Britiſh Indian empire require, and the

CHAP. III. the improved ſtate of the Britiſh navigation and trade may ſuggeſt, the Public will loſe none of the preſent advantages which it poſſeſſes, and yet can ſuperadd to them ſuch improvements, as ſeem calculated to render the Aſiatic concerns of Britain more diffuſed and productive. The Proprietors and the Directors will not loſe any of the privileges which experience has ſhewn to be requiſite for the proſperity of their affairs, and the Public will retain in its view thoſe checks upon the executive power in the adminiſtration of Indian affairs, which at once are the offspring and the nurſe of the conſtitution.

Recapitulation of the principles which require that this ſyſtem ſhould be continued.

BEFORE bringing forward an idea of the ſpecies of domeſtic adminiſtration, which, in coincidence with the preceding plans of foreign government and of Eaſt-India trade, appears to be practicable and expedient for rendering the Britiſh provinces and trade to the Eaſt-Indies beneficial to the empire and one of its reſources, we muſt ſlightly recur to the principles upon which it has appeared, that a ſyſtem for Indian affairs muſt proceed.

WE have found that the Legiſlature, after the expiration of the preſent charter of the Eaſt-India Company, has a right to diſpoſe of the Indian provinces and trade to the Eaſt-Indies, in the manner which it ſhall deem moſt advantageous to the Public intereſt, but that the Company, which will remain a body corporate, entitled to trade to the Eaſt-Indies, upon a joint ſtock, muſt be left in a ſituation to diſcharge all its juſt debts, and upon the ſuppoſition of its

exclusive

exclufive privileges being taken from it, have the fair value of its foreign property and capital ftock ; that the government abroad muft be fuited to the characters of our Indian fubjects, in the political, financial and military powers required to adminifter it with effect : that the exclufive trade to China muft be continued with the prefent Eaft-India Company, and that the connection between India and China ought to be improved, as the beft means by which the revenues can be realized in Britain. If thefe are refults from the hiftory of India and of the trade to the Eaft-Indies ; and if it fhall be deemed expedient to renew the Company's charter, as the moft certain means of preferving and invigorating the public interefts, the prefent divifion of domeftic government between the Company and the executive power muft remain, but with fuch modifications and improvements as fhall be calculated to render the adminiftration of the one as beneficial to the Proprietors as poffible, and of the other as refponfible to the Public, as the conftitution requires.

The domeftic government of Indian affairs divided into two branches, that of the Directors and Proprietors, and that of the India Commiffioners.

In giving an idea of the domeftic government for our Indian affairs, we fhall take advantage of the divifions on this fubject which the prefent plan of regulation affords, and treat firft of the domeftic fyftem for the Directors and Proprietors, and next of that which it may be expedient to continue in the executive power. After we have viewed the progreffive afpects of both, we may then fubmit fuggeftions for the future arrangement of each.

 I. The

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Sketch of the conſtitution of the Courts of Directors and Proprietors.

I. The union of the proprietary ſtock of the Company, if not the principle upon which their commercial and political exiſtence began, ſoon became that upon which it reſted. Every thing, which events in the trade and in the acquiſition of territory has given them, has been held as acceſſories to this original bond. The Proprietors ſince the firſt inſtitution of the London and union of it with the Engliſh Company, have enjoyed the privilege of aſſembling at ſtated times to give their voices upon all matters relating to the Company's affairs. The ordinary adminiſtration has been veſted in twenty-four Directors. In ſelecting them from among the Proprietors by ballot, the titles to vote and to be elected a Director have varied at different times. Every Proprietor, under the preſent regulations, poſſeſſed of £.500 ſtock, may give his advice and vote by holding up of hands; but to vote by ballot requires £.1,000 ſtock. £.3,000 entitles to two votes, £.6,000 to three votes, and £.10,000 to four votes, which is the greateſt number that any Proprietor is allowed to poſſeſs*. A Proprietor muſt be poſſeſſed of his ſtock for twelve months before he can give his vote by ballot. This check was either deviſed from the opinion, that time is required to render a Proprietor a judge of his own intereſts, or to prevent Proprietors from diſtributing their capital among their dependents in ſuch a way as to acquire an undue influence.

* See Short Hiſtory of the Eaſt-India Company, (1793) page 26. When a Proprietor votes by ballot, he takes an oath, that the property is his own, and not held by him in truſt for another.

A DIRECTOR

A Director, at the prefent time, muft be poffeffed of £.2,000 ftock to entitle him to be elected. The election is made at a fpecified period of the year (the month of April), and the votes are given by ballot. Upon the principle that thofe who have held the Direction, have, from their fituation, had the beft opp rtunity of knowing the Proprietors who are qualified to fucceed them, a "Houfe Lift" is handed about to the Proprietors for their adoption, leaving them to alter the names according as their feelings or judgment refpecting their own intereft may prefcribe.

Manner in which the bufinefs of the Directors is portioned out among regular or ftanding Committees.

The bufinefs of the Court of Directors has been divided among a certain number of Committees, of which the Chairman and the Deputy-Chairman are always members, viz. the Committees of Correfpondence, of Law Suits, for the Military Fund, of Treafury, of Warehoufes, of Accounts, of Buying, of the Houfe, of Shipping, of Government Troops and Stores, of Private Trade, and for Preventing the Growth of Private Trade; but the decifions of thefe feveral Committees are fubject to the revifion and confirmation of the Court.

Firft clafs of the regular or ftanding Committees.

The firft clafs comprehends the Committees of Correfpondence, of Law Suits, of the Military Fund, and of Treafury.

The bufinefs affigned to the Committee of Correfpondence, is by much the moft extenfive in the whole of the Company's adminiftration. This Committee has

CHAP. III. to examine the advices from India, and to prepare and draw up the anſwers for the conſideration and approbation of the Directors. It has to report to the Court, the number of ſhips which may be required for the trade in each ſeaſon, and the ſtations to be aſſigned to them. It reports the number of civil and military ſervants neceſſary for keeping up the eſtabliſhments abroad, and the applications of all civil and military ſervants for leave of abſence, or to return to their reſpective ſtations. It examines and determines, in the firſt inſtance, on the application for redreſs of grievances or pecuniary demands on the Company. It ſubmits all appointments neceſſary to the Secretary's, Examiner's and Auditor's offices, and of thoſe officers who manage the Military Fund and Treaſury, to the Court of Directors for their approbation.

The Committee of Law Suits, as its name imports, directs proſecutions and defences in all ſuits, in which the Company are parties, and, in general, whatever may become the ſubject of litigation at home or in India. In the diſcharge of this truſt, this Committee communicates with the other Committees, in whoſe department the ſubject litigated may originate. All bills of law charges, in the firſt inſtance, are examined by this Committee, and reports made on them to the Court of Directors.

The Committee for the management of the Military Fund, which is applicable ſolely to the Company's in-

valided officers or ſoldiers, or to the ſupport of the widows of ſuch as may have fallen or died in their ſervice. If the Company ſhould have no military force in their actual pay or ſervice, in the Eaſt-Indies, then the fund is to be applied, in the ſame manner, to the ſupport of the invalided marine ſervants, or of the widows of theſe ſervants; and if the Company ſhould ceaſe to employ troops or a marine, then the ſum out of which the fund originally aroſe, reverts to the repreſentatives of the donor.* The duties of this Committee are, to inveſtigate the caſes of the invalided officers and ſoldiers, the claims of the widows of the military ſervants who have died in the Company's ſervice; and to admit, as penſioners, ſuch as come within the deſcription of the deed, eſtabliſhing this fund between the Company and the late Lord Clive.†

The buſineſs aſſigned to the Committee of Treaſury is divided into different branches: this, provides, agreeably to the orders of the court, for the payment of dividends and of the intereſt on bonds; and it negociates whatever loans the Company's credit may at any time require. It purchaſes, for exportation, the bullion or foreign coins,

* The fund conſiſts of £.62,833 capital, from Lord Clive
of 37,700 from Syf-ul-Dowlah
of 24,128 from the contingent fund.
The whole of this Fund carries an intereſt of 8 per Cent.

† The deed is dated, 6th April, 1770.

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and ſuperintends the weighing and packing of it. It has the duty of affixing the Company's ſeal to the counterparts of charter-parties, ſupra-cargoes, factors and writers covenants; to bonds to be given at the Cuſtom-houſe; and, in general, to whatever bonds or inveſtments the court may authorize. It examines, monthly, or oftener, the ſeveral ſpecies of which the balance of caſh conſiſts. It judges, in the firſt inſtance, of all applications, on the loſs of bonds or other money tranſactions, on the delivery of unregiſtered diamonds, bullion, &c.

Second claſs of regular or ſtanding Committees.

The ſecond claſs comprehends the Committees of Warehouſes, of Accounts, of Buying, and of the Houſe.

The buſineſs allotted to the Committee of Warehouſes, is in general, the management and ſuperintendence of the Company's commercial concerns, but particularly of their imports. To this Committee a variety of branches in the trade are entruſted; ſuch are, arranging and ſuiting the orders ſent abroad to the ſtate of the markets at home; the controul of the ſervants employed in aſcertaining that the articles procured are of a proper quality, and obtained at fair rates of coſt; deviſing means for conveying theſe articles to England; providing for landing them and putting them in the warehouſes; arranging the order of ſales; and collecting and digeſting the opinions of experienced buyers with the object of forming proper future proviſion for the trade.

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The businefs of the Committee of Accounts is very extenfive. This Committee has to examine whatever relates to bills of exchange, and certificates granted in India or China, at Alleppo, or in countries in any way connected with the trade; to compare advices with bills, &c. when prefented for acceptance, and to examine the eftimates and actual accounts of cafh or of ftock formed for the ufe of the Court of Directors, of the Lords of His Majefty's Treafury, and of Parliament. To this Committee is immediately fubfervient the Accountants Office, with its dependencies; and the Transfer Office, in which the foreign Letters of Attorney for the fale and transfer of the Company's ftock and annuities, are inveftigated.

The bufinefs allotted to the Committee of Buying, chiefly relates to the purchafe of certain fpecified articles, of export, fuch are lead, woollens, &c. This Committee fettles contracts with the dyers, appoints tradefmen, gives directions refpecting cloth and long ells, which are brought in their white ftate, to pafs through the procefs which fits them for the market. It gives orders for the examination of them in their white ftate, and after they are returned from the dyer, and for their being fine drawn, plained, preffed, and properly packed for fhipping. This Committee has fimilar duties refpecting the long ells; it directs that they be properly dyed, fet, fine drawn, calendered, preffed, and packed up. It likewife iffues orders for the different goods being fent on board the feveral fhips, and audits the tradefmen's accounts.

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The bufinefs affigned to the Committee of the Houfe, (as the name implies) is very limited. It iffues orders for the neceffary repairs and alterations required at the India-houfe; it forms regulations for the attendance of the feveral officers and clerks; it appoints the inferior fervants of the Houfe, &c. and examines the Secretary's quarterly accounts of difburfements, tradefmen's bills, &c.

Third clafs of regular or ftanding Committees.

The third clafs comprehends the Committees of Shipping, of Government Troops and Stores, of Private Trade, and for preventing the growth of Private Trade.

To the Committee of Shipping, are affigned feveral perfectly diftinct kinds of duties. This Committee has the purchafe of the Company's exports in general; fuch are articles for the voyages, ftores for the civil, the marine and military departments (the articles lead, woollens, and bullion excepted, with which the Committee of Buying are entrufted). It has to fettle terms with the owners of freighted fhips, and to examine the qualifications of the commanders and officers. It has the diftribution of the outward cargoes, fuperintends the raifing and allotting the recruits to be fent to India in each fhip, fixing the paffage money and provifions for them; examining and paffing cadets and affiftant furgeons for the army, and volunteers for the marine. It directs in the agreement for and payment of feamen's wages, outward and homeward. It fuperintends the regulation and allowance of private trade outward,

ward to the commanders and officers of the Company's ſhips. It authorizes indulgences for the export of wine, &c. to the Company's ſervants in India. It iſſues orders for building, repairing and fitting out the ſhips, packets, &c. of which the Company are proprietors ; and it provides for the embarkation of His Majeſty's troops, when ordered on ſervice in the Eaſt-Indies. CHAP. III.

To the Committee of Government Troops and Stores, is aſſigned the duty of adjuſting and liquidating the accounts with the offices of Government, reſpecting the ſupplies for victualling His Majeſty's naval and land forces employed in the Eaſt-Indies ; of examining and ſettling the claims of the King's officers on the Company, whether in their individual or in their public capacity (the allowances to naval officers, while ſerving in the Eaſt-Indies, excepted). That part of the correſpondence, alſo, which reſpects ſuch inſtructions as may appear neceſſary to be given by the Company to the King's forces ſerving in India, and the drawing up of anſwers to the addreſſes of theſe officers, is entruſted to this Committee.

To the Committee of Private Trade is allotted the duty of adjuſting the accounts of freight of goods carried out on the Company's chartered ſhips, and of the demorage payable on their ſailing from England ; of examining the commanders on their arrival from their reſpective voyages, to aſcertain whether they have complied with the orders and inſtructions given them by the Court of Direc-

CHAP. III. tors, and by the Company's ſervants abroad; of determining on the claims of the owners of chartered ſhips, in reſpect to the "earnings" of freight and demorage; adjuſting the accounts between them and the Company, and ordering the payments to be made to them; of regulating the indulgences in private trade homeward; of comparing the accounts of private trade home, with the quantities and ſpecies allowed and manifeſted, in order to diſcover, whether the eſtabliſhed regulations have been complied with; and of conſidering and determining on the ſeveral applications which may be made on private trade, exceeding the allowances, or not duly manifeſted.

To the Committee for preventing the Growth of Private Trade, is aſſigned the duty of inveſtigating and determining upon ſuch buſineſs, as may ariſe in conſequence of the orders and regulations for preventing the allowances of trade to commanders and officers of the Company's ſhips, being exceeded. The duties of this Committee are ſo interwoven with thoſe of the Committee of Private Trade, that references have, of late, frequently been made to it, in which caſe this laſt Committee has examined and paſſed the accounts of the private trade of the commanders, and in moſt caſes, has regulated the indulgences which come properly under the cognizance of the Committee for preventing the Growth of Private Trade.*

* From a ſtatement of the buſineſs allotted to the ſeveral claſſes of Committees of the Court of Directors, officially tranſmitted to the Board of Commiſſioners for the Affairs of India.

This review of the manner in which the domeſtic adminiſtration of the Directors is portioned out among regular or ſtanding Committees, furniſhes a curious and intereſting aſpect of the progreſs of the Company's affairs, and leads directly to the improvements which have occurred on the ſubject to the Directors themſelves.

Improvements which have been ſuggeſted on the conſtitution of theſe regular Committees.

Soon after the inſtitution of the Board of Commiſſioners, and the introduction of a new arrangement of buſineſs into the foreign Preſidencies, ſome of the moſt intelligent of the Directors ſeem to have been of opinion, that it would be neceſſary to new model the whole of their home ſyſtem of adminiſtration. The principle upon which all of the plans, ſuggeſted on this ſubject, proceeded was, that the Committees at home ſhould correſpond with the departments abroad. For this purpoſe it was propoſed, that the whole of the Committees ſhould be reduced to three. To the firſt was to be given the names of the Committee of Inſpection of Civil and Revenue Affairs: To this Committee was to be aſſigned the duties of examining all accounts, ſuch were thoſe of the expenſes attending the civil government of the different perſidencies in India, thoſe of the Company's revenues and charges, thoſe of the collection and realization of them in England. A Committee, with the like powers, and under the ſame name, it was ſuggeſted, might be eſtabliſhed at each of the preſidencies of Bengal, Fort Saint George, and Bombay, the duties of which ſhould be

 reſtricted

CHAP. III. reſtricted to the civil and revenue department, and to the correſpondence with this Home Committee.

To the ſecond it was propoſed to give the name of the Committee of Inſpection for Military Affairs, with the duties of attending to the Military Eſtabliſhment, viz. to the number of troops, Native and European, required in each ſettlement, to the returns of the effective and non-effective branches of the army, whether in garriſon or in the field; to the military charges in general, whether of troops, fortifications, or hoſpitals; and to the correſpondence with a Committee of the ſame name, at each of the three ſettlements of Bengal, Madras, and Bombay.

To the third Committee, it was propoſed, to give the name of the Committee of Inſpection for Commercial Affairs, with the duties of ſuperintending the Company's Trade in England, as well as in India, keeping an account of the quality and charges of the articles for the Europe inveſtment, the increaſe or diminution of the ſeveral articles which compoſe it, whether in India or in China, the expenſes of tranſportation of the goods to England, the ſales at home and abroad, the improvement of manufactures in India, the purchaſe and management of the exports from England to all countries within the Company's limits, and the correſpondence with a Committee of the ſame name, at each preſidency.

THESE

THESE three Committees at home and abroad, it was propofed, fhould confift of five members, three of whom fhould be a quorum, to meet once a week, have a Secretary to keep minutes, as records, to have the power of inftituting inveftigations into the actual ftate of the Company's interefts at home, under the controul of the Directors, and abroad of inftituting like inveftigation, in the prefidencies, and to communicate all proceedings, from time to time, to the Directors; the minutes of thefe Committees, at home and abroad, were to lay thirty days before their immediate fuperiors for confideration and approbation, but the correfpondence to be carried on between the foreign and the home Committees of thefe fpecified defcriptions *. CHAP. II.

WHEN this plan came to be deliberated on, a fecond was offered, as an improvement on it. In this it was propofed, that inftead of abolifhing the old Committees, the number of Directors compofing them fhould be diminifhed, and the Committees formed into claffes, among which the bufinefs, at prefent, entrufted to the ftanding Committees fhould be divided; this, it was thought, would be more coincident with the encreafed nature of the Company's concerns †.

THESE plans had fcarcely been compared, when it was propofed to abolifh the fubfifting arrangement of Committees and to introduce the following:

* This plan is dated the 23d March, 1785.

† This plan is dated the 5th of April, 1785.

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1ſt. A Political Committee, to conſiſt of ſix Directors, and to be ſubdivided into two departments, one for Bengal, and one for Fort Saint George and Bombay. 2d. A Military Committee to conſiſt of four Directors. 3d. A Committee of Shipping to conſiſt of five. 4th. A Commercial Committee to conſiſt of ſeven. The ſame duties were to be aſſigned to the three laſt, as in the preceding plan, but the duties of the Political Committee were upon this occaſion more fully deſcribed, viz. Beſides the management of whatever related to the civil government, revenues, and courts of juſtice, it was thought that to this Committee might be entruſted the management of whatever regarded the Company's proceedings with the native or European powers connected with each preſidency. The difficulty of bringing forward any new arrangement in the India-Houſe, ſeems to have been fully perceived. Each of the ſtanding Committees have a certain degree of patronage annexed to them, which they would unwillingly relinquiſh. To remove this, it was propoſed to divide the patronage among the Directors, according to ſeniority, giving the greateſt portion of it to ſuch of them, as were in the fourth year of their direction, a leſs degree to thoſe who were in their third year, a ſtill leſs to thoſe in their ſecond, and the leaſt ſhare to Directors in their firſt year. This meaſure, it was conceived, would call forth profeſſional knowledge, by confining the Directors to the buſineſs for which they were beſt qualified, and yet would afford to each his merited degree of influence *.

* This plan is dated the 11th April, 1785.

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NOTWITHSTANDING theſe propoſals, which reflect much honor on the capacity and zeal of individuals, the old arrangement has continued to the preſent time, with the ſingle variation of the ſtanding Committees having been reduced to the claſſes under which we have detailed their conſtitution and duties.

Origin and eſtabliſhment of the Secret Committee.

WHEN the Company's concerns began to aſſume the mixed aſpects of commerce, and of revenue ſubſervient to inveſtment, it became difficult to aſſign to any of the ſtanding Committees, either the political interferences with the Indian Princes, of whoſe ſovereignties their foreign governments had become ſharers or allies, or to manage the political connexion which the Company now neceſſarily had with the executive government. As early as the peace 1748, and while the political ſtruggle, between the French and Engliſh on the Coromandel Coaſt, was obviouſly the harbinger of a war, a Secret Committee was appointed, and began to take an important lead in the Company's domeſtic and foreign affairs. We find a reference made to this Committee, in the project for extirpating the pirate Angria from the Malabar Coaſt*. As this war between England and France aſſumed a more ſerious aſpect, the Secret Commitee, beſides its firſt character, was entruſted with the conduct of the Company's military and naval affairs; had the charge of providing for the ſafety of their chartered and trading ſhips, and authority to enter into ſuch treaties and alliances

* Minutes of Secret Committee, 2d March, 1754.

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CHAP. III. with the Indian powers as might be thought requiſite for the preſervation and protection of the factories, or the diſtricts depending on them*. Theſe powers of the Secret Committee were renewed and enlarged during the whole courſe of this war †, extending now not only to the ſettlements on the Peninſula, but to their eſtabliſhments making on the weſt coaſt of Sumatra, for the purpoſe of promoting commerce in that quarter of the Company's limits ‡. While the arms of Britain were making rapid acquiſitions, particularly towards the cloſe of this war, the Secret Committee began to be inveſted with more ſpecific powers, viz. thoſe of conferring with the King's Miniſters, on the proper and effectual plans for ſeconding the efforts of Government, in reducing the Manillas §; of ſoliciting the Admiralty for convoys to the Company's ſhips ||, of opening ſuch packets, as might be addreſſed to the Committee only, and communicating the contents to the Court of Directors, or not, as they might deem it prudent that the contents ſhould be known; and of conſulting with miniſtry on the meaſures for ſecuring the Company's poſſeſſions and privileges of commerce, in the treaty of peace which now appeared to be approaching**. To this Secret Committee alſo, upon the ſame principle of

* Minute, 14th February, 1755.

† Minutes, 30th July, 1755; 14th April, 1756; 7th April, 1757; 5th April, 1758; 6th April, 1759; 3d April, 1760; and 10th April, 1761.

‡ Minute, 30th November, 1757.

§ Minute, 30th December, 1761.

|| Minute, 8th April, 1762.

** Minutes, 29th July, 1761, and 21ſt July, 1762.

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ſecuring to the Company their recent acquiſitions, were confided the duty of ſoliciting the aſſiſtance of the executive power, to enable the Company to retain the poſſeſſion of Maſulipatam, as ceded by Salibet Jung †. Similar powers with theſe already referred to, of opening packets which might be addreſſed to them, and of laying ſuch parts only of them before the Court of Directors, as it might be thought prudent to divulge, were renewed to this Committee for ſeventeen ſucceſſive years ‡. During this period, however, inſtances occurred, in which the Directors wiſhed to limit the Select Committee, at their ſeveral preſidencies, in correſponding with the Secret Committee, and to confine the powers of the Secret Committee itſelf, to matters which required communications with the King's Miniſters §.

As the late general war approached, the powers of the Secret Committee were, in a meaſure, limited to the Chairman and Deputy Chairman only ||, who were veſted with the whole executive authority of the Company, that they might watch over the general ſafety of their dominions and trade.** From 1778, till the paſſing of the regulating act 1784, the Secret Committee alone communicated with the King's Miniſters on the political intereſts of the Company. In the act of regulatien 1784, it was declared to be

† Minutes, 22d September, 1762.

‡ Minutes for the month of April, from 1763 to 1780 incluſive.

§ Minutes, 8th May, 1764. 21ſt July, 1769. 28th Nov. 1770.

|| Ditto 7th December, 1770.

** Minutes, 27th March, and 9th April, 1778. 23d June, 1779. 31ſt May, 1780.

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a fixed part of the domeſtic eſtabliſhment of the Company, and that it ſhould be lawful for the Court of Directors "from time to time, to appoint a Secret Committee, to "conſiſt of any number of the ſaid Directors for the time "being, not exceeding three, which Secret Committee "ſhall, from time to time, upon the receipt of any ſuch "ſecret orders and inſtructions concerning the levying of "war, or making of peace, or treating or negociating with "any of the native Princes or States of India, from the "Commiſſioners for the affairs of India, as are herein-"before mentioned, tranſmit to the reſpective govern-"ments and preſidencies in India, a duplicate or duplicates "of ſuch orders and inſtructions, together with orders in "writing, ſigned by them the members of the ſaid Secret "Committee, to carry the ſame into execution; and to all "ſuch orders and inſtructions ſo tranſmitted, the ſeveral "governments and preſidencies in India are hereby required "to pay the ſame obedience as if ſuch orders and directions "had been iſſued and tranſmitted by the Court of Di-"rectors of the ſaid United Company."

Of the Committee of Secrecy.

ALMOST in name, and in ſome degree in buſineſs approaching to this Committee, is that of Secrecy. The duties aſſigned to it, are thoſe of ſoliciting the Admiralty, in the name of the Directors, when war is approaching or carrying on, for convoys to the Company's ſhips; of deviſing and taking ſuch precautions as this Committee may deem neceſſary for their ſafety; ſuch are ordering ſignals, opening all packets that may be addreſſed to them individually, or

as a Committee, and of laying before the Court, ſuch part only of the contents as it may be prudent to divulge.

SUCH is the domeſtic government of the Eaſt-India Company. The queſtion with the Legiſlature upon this ſubject will of courſe be, whether they will think it neceſſary to confirm the preſent adminiſtration of Directors and Committees, or whether they will veſt the Directors and Proprietors with powers, to form one for the Company, ſuited to the magnitude of their buſineſs, and calculated to render the home adminiſttration in uniſon with the departments abroad.

HAVING thus ſketched out the progreſs of the domeſtic government of the Company, the following ſuggeſtions, upon renewing their excluſive privilege, are ſubmitted to conſideration.

1ſt. Suggeſtion, reſpects the capital ſtock and the qualification to vote, and to be elected into the Direction.

FIRST. It is ſuggeſted, that the proprietary ſtock ſhall be encreaſed £.1,000,000, upon the principle pointed out, where treating of the financial power, to enable the Company to liquidate their debt, but that the conſtitution of the capital ſtock, transfers, &c. ſhall continue on the preſent ſyſtem, ſubject to the regulation of the Directors, and to ſuch encreaſe as Parliament may judge, from time to time, to be expedient. That the qualification for a Proprietor to vote ſhall continue at £.1000 capital ſtock, and the qualification to be elected a Director at £.2000 capital ſtock, and that before ſuch vote can be given, or ſuch election

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become legal, the holder ſhall have been poſſeſſed of his ſtock for one year; though each Proprietor of £.500 ſtock ſhould, as at preſent, be entitled, from the time of his making the purchaſe, to give his opinions and advice upon matters regarding the Company's intereſts, all which he may chuſe to bring, or that may be brought before the Court of Proprietors. That the oath which ſpecifies that the ſtock is the Proprietor, has been held by him for twelve calendar months, and not in truſt for another, or colluſively obtained, ſhall continue to be adminiſtered to the Proprietors and Directors in its preſent form.

2d. Suggeſtion, reſpects the Court of Proprietors.

SECOND. It is ſuggeſted, that the Courts of Proprietors ſhall, as at preſent, be held quarterly; and that it ſhall remain in the power of nine Proprietors to apply to the Court of Directors, to ſummon, on extraordinary occaſions, a meeting of the Proprietors, the buſineſs to be laid before them being ſpecified to the Court, and expreſſed in the ſummons tranſmitted or publiſhed for their meeting.

3d. Suggeſtion, reſpects the Court of Directors.

THIRD. It is ſuggeſted, that the Court of Directors ſhall conſiſt, as at preſent, of twenty-four; but that it may be left to the Proprietors and Directors, with conſent of the controuling power, to diminiſh that number, if it ſhall appear that ſuch diminution would tend to ſimplify and facilitate the adminiſtration of the Company's affairs.

UPON this ſubject a variety of opinions have, from time to time, been entertained. On the one hand, it has been thought, that

that by leſſening the number of Directors to twelve or even to nine, and by dividing the buſineſs among them, with power to report their proceedings to the Court, a greater degree of diſpatch and reſponſibility could be enſured, than has been experienced when the buſineſs is referred to Committees. On the other hand, it has been ſaid, that the magnitude of the Company's concerns entruſted to the Committees, affords a ſufficient charge to each of the Members of them, and that if the great branches of the buſineſs were entruſted to one or to two Directors only, with the Chairman and Deputy Chairman, the whole would ſoon paſs into the hands of the officers of the Court, inſtead of going through thoſe of the Directors. That thus the leſſening the number of the Directors, inſtead of encreaſing the reſponſibility, would, in fact, introduce an adminiſtration which, from its nature, would render ſuch reſponſibility of no avail. A ſubject of this kind can only be judged of from experience; and although, perhaps, ſome diminution might be expedient, it is difficult to ſay what that diminution ought to be. It may be proper, however, that the Directors, of whatever numbers they may conſiſt, ſhould have ſuch ſalaries as may be a compenſation to them, for the time which they give to the diſcharge of their duties to the Proprietors.

Fourth ſuggeſtion, reſpects the powers of the Directors to appoint Committees.

FOURTH. It is ſuggeſted that the buſineſs of the Court of Directors ſhould, as at preſent, be divided among ſeparate Committees; and that this diviſion, as well as the portion of the buſineſs to be allotted to each Committee, may take

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place, without any clauſe in an act of Parliament, and by an internal regulation of the Court, with the approbation of the Court of Proprietors.

Upon this ſubject it may be obſerved, that the preſent plan of Standing Committees does not correſpond with the arrangements introduced in the foreign ſettlements, and that it would ſimplify the whole of the adminiſtration of the Court of Directors, if the Committees were formed upon ſuch a plan, that to one might be aſſigned the duty of preparing the correſpondence for the foreign Boards of Council; to another that for the Military Boards; to a third that for the Boards of Trade; and to a fourth that for the Boards of Revenue, leaving to each of theſe Committees the power of forming themſelves into claſſes, aſſigning to each, particular branches of the buſineſs, and keeping the minutes of each as a diſtinct record, to be ſanctioned by the Directors.

Fifth ſuggeſtion, reſpects the executive powers entruſted to the Secret Committee.

Fifth. It is ſuggeſted that the political branch of the buſineſs, whether regarding tranſactions with the native Princes, or with the ſuperiors of the ſettlements or with factories of European ſtates having territories in India, or trade to the Eaſt-Indies, ſhall paſs immediately through the Secret Committee (conſiſting of the Chairman and Deputy Chairmain only) to the Board of Commiſſioners for the Affairs of India; that this Committee ſhall form a part of the domeſtic government of the Company, as defined and authorized in the Regulating Act 1784, but with ſuch modifications and under ſuch reſtrictions, as ſhall poſitively

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enſure ſecrecy in all political matters regarding either the intereſts of the Company or of the Empire; that is to ſay, that this Committee, inſtead of being annually ſelected from among the Directors, ſhall conſiſt of the Chairman and Deputy Chairman only, acting as ſuch Committee officially; that the Chairman and Deputy Chairman ſhall immediately after being elected to theſe offices, and as conſtituting the Secret Committee, take the oath of ſecrecy to the Court of Directors; that they ſhall forthwith communicate whatever diſpatches they may receive from the different preſidencies abroad, to the Commiſſioners for the Affairs of India; that, upon the receipt of orders or inſtructions from the Board, upon the political intereſts of the Company or of the ſtate, (viz. levying of war or making of peace, treating or negotiating with any of the native ſtates of India) they ſhall ſend a tranſcript of them ſigned, and afterwards a duplicate or duplicates, in writing, to the reſpective governments and preſidencies abroad, enjoining them to carry ſuch orders into immediate effect; that the Preſidents and Councils, in India, and ſuperiors of reſidencies or factories, ſhall pay the ſame obedience to the orders of the Secret Committee, as if theſe orders had been tranſmitted to them by the Court of Directors; that the orders ſo given and ſent to the Secret Committee by the Commiſſioners for the Affairs of India, ſhall be tranſmitted to the reſpective preſidencies without delay, in the manner the Committee ſhall deem the moſt ſafe and expeditious, within a time to be ſpecified by the Board; that this Committee ſhall communicate only ſuch parts of the orders authorized by the India Board to the

 Court

CHAP. III. Court of Directors, as may be pointed out and allowed by the Board, for the purpose of giving consistency to the whole of the political and commercial transactions of the Company.

Upon this branch of the domestic government of Indian affairs, the opinions of those who are most conversant with them have differed more widely, than upon any other subject.

On the one hand it has been said, it is possible, notwithstanding the precautions taken by the Board and by the Committee, that the measures of government may transpire, from their passing through different hands; that such discoveries would obviously be prejudicial to the interests of the Company and of the State; that, therefore, it would be for the general interests, if the communications upon all matters of a political kind, were to be made direct between the executive government and the presidencies abroad; and that this change would not be contrary to the spirit of the act 1784, by which the Secret Committee receive the orders of the Commissioners, who are alone responsible for these orders. In support of this opinion, it has been argued, that if the appointment of the Presidents and Councils, as well as the power of recalling them, had been in the King, the responsibility of the executive government would have been more defined; that this would have been no innovation upon the present

present mode of adminiſtering Indian affairs, in ſubſtance, but only in form, ſince the functions of the Secret Committee have not, under the preſent ſyſtem, been deliberative but official; that the reſponſibility of the Commiſſioners would, by this truſt, become direct and guarded; direct, becauſe it would bring the diſpatches from India immediately to the Board, or carry diſpatches from it to the Governors, Councils and Commanders who are to execute theſe orders; guarded, becauſe it would prevent the orders paſſing through a number of hands at the India Houſe and at Whitehall, where, it is poſſible, the objects of a diſpatch might be diſcovered by a foreign rival of the Company or of the nation.

On the other hand, it has been thought, upon a review of the relation ſubſiſting between the commerce, the revenues, and the political intereſts of the Company, that the continuance of the Secret Committee is required to give conſiſtency to the whole of the Company's tranſactions. If the management of the commerce and of the revenues is to be left with the Directors, and yet the buſineſs of the Secret Committee to be wholly in the executive power, the plans which the Directors might adopt for trade, might not accord with the political or coercive meaſures deemed expedient by the State, and thus a diſcordancy in the adminiſtration of Indian affairs, might ariſe, at a time when all the parts of them ought to meet, in carrying into effect the inſtructions given for the preſervation or proſperity of

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the Indian provinces and trade. Befides, that the continuance of the Secret Committee is an indulgence due to the Proprietors, whofe confidence in the management of their interefts muft, in the firft inftance, be placed in their own Directors; and, in the next, encreafed by the check eftablifhed over their proceedings by a refponfible executive power.

On a fubject of this delicate nature, where the interefts of the Public and the Company hold the balance in a kind of equipoize, for or againft the continuance of the Secret Committee, it is for the wifdom of Parliament to decide, by examining how far the propofition fubmitted to them feems to be calculated to remove the objections againft the Secret Committee; and yet to continue the prefent fyftem without the inconveniences which have been apprehended, from totally disjoining the political from the commercial adminiftration of Indian affairs.

Sixth fuggeftion, refpects the appointment of writers by the Directors, and the line of promotion in the Civil department.

SIXTH. IT has, when treating of the foreign governments, been fuggefted, that the writers for the different fettlements fhall remain folely in the appointment of the Court of Directors. It is here only, as a part of the domeftic government, farther to be fuggefted, that the prefent reftrictions fhould continue; that is, the perfons named muft have attained the age of 16, and not have paffed that of 22; that upon their arrival in India, they fhall be entitled only to a promotion that is gradual; that is, the writers are to be employed in fubordinate duties only, to

have a progreffive fervice before they are admitted to be factors; inferior offices of truft to be given to factors, thofe of greater truft and extent to be affigned to junior merchants of a fpecified number of years ftanding in the fervice; the general departments of the bufinefs to be under the fuperintendence of the fenior merchant, alfo of a fpecified number of years ftanding in the fervice; and the Boards, under which the management of the whole of the Company's interefts are placed, to be filled up according to this line of promotion, by civil fervants of a fpecified rank. It may be left, however, to the Governors and Councils to felect thofe of this defcription whom they may think entitled to a feat at any of the Boards, according as their fervices may be thought important or beneficial. The refponfibility thus of the Governors and Councils, in all civil matters, to the Directors acting in concert with the executive power, will be pofitive; the motives to exertion in the civil fervice, judged of and rewarded by thofe on the fpot who can beft eftimate probity and merit, and the patronage left with the Company, in every refpect, in which the exercife of it does not interfere with the general fafety of the empire.

Seventh fuggeftion, refpects the appointment of cadets.

SEVENTH. It is propofed, that the cadets for the military eftablifhments in India, fhall be left folely with the Directors. In treating of the military power in India, the line of promotion has already been pointed out, as well as the rewards due to men, who are to ftruggle with

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an unfavorable climate, and to devote their lives to duties which remove them at a diſtance from their country.

Eighth ſuggeſtion, reſpects the management of the trade.

EIGHTH. It is propoſed, that the whole ſuperintendence and management of whatever regards the commerce of the Company, ſhall remain as at preſent with the Directors; that they ſhall have the power, agreeably to the preceding plan for the Committees, to ſubdivide the buſineſs, whether regarding the ſhipping, the charges of them, their officers and the allowances to theſe officers, the purchaſe of exports, the inſtructions for the ſale of them at the foreign markets, the proviſion or purchaſe of imports, the ſuperintendence of ſales, &c. In the exerciſe of this power, however, it may be proper, that the Court of Directors, in the name of the Eaſt-India Company, do within the firſt 14 ſitting days after the 31ſt of March, in each year, continue to lay before Parliament, an account made up, according to the lateſt advices, of the annual produce of the revenues of the Britiſh territories in India, diſtinguiſhing theſe accounts under the ſeparate heads of the ſeveral preſidencies or ſettlements abroad, the amount of ſales of goods and ſtores within the limits of their excluſive trade, and, in general, the diſburſements made in the countries within their limits, diſtinguiſhed in the ſame manner under the titles of the different preſidencies, or reſidencies and factories; that, along with theſe, an account ſhould be produced of the amount of their debts abroad, with the rates of intereſt they reſpectively carry, the annual

amount of the intereſt payable on their debts, at each preſidency or principal ſettlement, the ſtate of caſh remaining in their treaſuries in each preſidency, a liſt of their ſeveral eſtabliſhments abroad, with the ſalaries or allowances payable to their ſervants, and, in general, accounts exhibiting the ſtate of their financial and commercial intereſts.

Conſtitution of the Board of Commiſſioners for the affairs of India.

II. In connection with the conſtitution of the Court of Directors and Proprietors, is that of the Board of Commiſſioners for the ſuperintendence and controul of the affairs of India, eſtabliſhed by the regulating act of 1784. It remains, therefore, to make a reference to the conſtitution of this branch of the home government, as deſcribed in a preceding part of this work,* and to ſuggeſt ſuch alterations and improvements as may be coincident with thoſe required in the adminiſtration of the Court of Directors.

Circumſtances which led to the eſtabliſhment of it.

THE principle upon which the Board of Commiſſioners was eſtabliſhed, was that of giving to Government the ſuperintendence of Indian affairs, even while the exiſting charter of the Company entitled the Directors to ſhare in it. It is to be recollected, in the firſt place, that for many years the Directors exerciſed, under a variety of Charters and Acts of Parliament, the executive power in the ſettlements of Great Britain in the Eaſt. It was only upon difficult occaſions where the Company required aids from Government, or where interferences with the European nations, having

* See Part I. Chap. II. page 109 & ſeq.

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First suggeſtion, reſpects the conſtitution of the Board of Commiſſioners.

FIRST. It is ſuggeſted, that upon the baſis of the act 1784, the controuling powers of the Commiſſioners for the affairs of India, ſhall be continued; that the Board ſhall conſiſt of the two Secretaries of State and the Chancellor of the Exchequer, together with three or four other Members, whom His Majeſty may think fit to appoint, by a commiſſion under the Great Seal; that they ſhall, as at preſent, be denominated the Commiſſioners for Affairs of India, and hold their appointments during His Majeſty's pleaſure; that theſe Commiſſioners ſhall be veſted with authority to direct and controul all acts, operations and concerns, which relate to the civil and military governments, or adminiſtration of the revenues of the Britiſh poſſeſſions in India, ſubject, however, to ſuch regulations and reſtrictions as Parliament may think it expedient to provide for.

Second ſuggeſtion, reſpects their powers.

SECOND. It is ſuggeſted, that the firſt named Commiſſioner of the Board ſhall be Preſident, and be veſted with the executive powers of Government in all matters reſpecting India: that the Preſident and two of the Commiſſioners ſhall form a Board; that he ſhall be authorized to ſummon the Commiſſioners to meet as matters of importance may require; that in his abſence, the next named perſon in the commiſſion ſhall be veſted with the powers of the Preſident; and that as the Preſident will, from the nature of his ſituation, be one of His Majeſty's confidential ſervants, to him ought properly to belong that intercourſe between Government and the King's ſervants abroad, now exerciſed by the Secretary of State for the home department.

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Third suggestion, respects the business of the Board.

Third. It is suggested, that the powers vested in the Commissioners for affairs of India, by the act 1784, of appointing and removing the officers of the Board, shall continue in the President and Commissioners; that the principal Secretary shall not, from holding such office, be disqualified, any more than the Commissioners are, from having a seat in Parliament.

Upon this particular branch of the subject, without entering into an enumeration of the magnitude of the business entrusted, by the Board, to its officers; it will be sufficient to observe, that these officers have (under the orders of the Board) the charge of all communications with the Court of Directors, whether regarding the domestic administration or foreign governments of India affairs; that they have to preserve and arrange the records of the Board, as archives of the State, to which the other branches of the executive power may resort; that they have to make up reports on all cases of law regarding the interests of the Company's servants or the Public, as connected with the Company; that they have to prepare statements of the Company's trade, revenues, debts, &c. to be laid before Parliament; and that they have to engross into the minutes of the Board all dispatches received from or sent to India, and to convey the communications of the Board to the Court of Directors.

Fourth suggestion, respects the powers of the Commissioners

Fourth. It is proposed, in order more fully to connect the political and commercial branches, that the Board shall be empowered to lay before the Court of Directors,

whatever

whatever plans may be thought expedient, for the melioration of the Company's affairs, and that the Directors shall have the privilege of making answers or reports to the Board upon such subjects. That the Directors shall also have the privilege of laying before the Board, such propositions as they may consider it would be for the interest of the Proprietors should be adopted, leaving it to the Commissioners to examine them, and to give their opinions and decisions. These propositions might come either from the Directors, or from the Chairman and Deputy Chairman, acting as a Secret Committee.

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and Directors in forming plans for the improvement of Indian affairs.

THESE outlines of the constitution of the Court of Directors, and of the Board of Commissioners for Affairs of India, in connexion with the plan of government suggested for the presidencies, and of trade for the Company, are submitted to the consideration of those who are entitled to devise or establish a system of Indian affairs, calculated to render our Asiatic provinces and commerce to the East-Indies efficient branches of the empire, and of its resources. The whole of this detail has proceeded upon authenticated records; upon systems which have been proposed, but from circumstances not adopted; upon measures which have been recommended, by the intelligent servants of the Company at home and abroad, with the object of improving the political and commercial interests of Great Britain in the East; and upon a comparison of the existing system of India affairs, with these various sources of information. As a plan, it vests that power in the governments in

Result of these plans.

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THE END.